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## **Coalition Creates Guide For Green Muni Bonds.**

As municipal bonds have become an integral part of the environmentally conscious “green bonds” movement, a group of investment and advocacy organizations has created a guide for municipalities interested in funding projects with such eco-friendly debt issues.

The Green City Bonds Coalition, founded eight months ago, has created a guide called the “Green Muni Bonds Playbook,” the organization announced during a webinar Tuesday.

The overall green bonds market more than tripled from 2013 to 2014 to \$37 billion in revenues, the coalition says. It could top \$100 billion this year, says “As You Sow,” a coalition member organization founded to promote corporate environmental responsibility.

The municipal bond share of green bonds is growing as well. There was a single \$100 million green muni bond issued in 2013, but last year there were \$2.5 billion in such issues. This year through early May, \$1.3 billion had been sold, the coalition says. (The Tuesday webinar gathered representatives from municipalities that had issued green bonds.)

The United States needs to invest \$3.6 trillion in its basic infrastructure by 2020 and plow money into transportation systems, waterways and the power sector, the coalition estimates.

Municipal green bonds can fund a number of these projects, including recycling efforts, water quality or availability projects and projects that reduce greenhouse gases. They are like any other bonds, except for the types of projects they fund, says the coalition.

Barbara Whitehorn, chief financial officer for the city of Asheville, N.C., says issuing the bonds was as easy as issuing any other bonds. In Asheville, a \$50 million green bond issue was used to refinance earlier water bonds used for water loss reduction and for transmission and delivery improvements.

“The most challenging aspect of the green bonds [the first ever issued by a municipality in North Carolina] were the reporting aspects that we committed to make on our website” to keep residents informed about the work, she says.

Asheville officials are proud of their progressive reputation and the green bonds fit that profile, she adds.

One of the benefits of issuing green bonds is that they draw interest from those who want to promote sustainability and environmental protection, according to Jonas Biery, debt manager for Portland, Ore.

“We do not have a green bonds capital project ready yet, but we are talking about it,” Biery says. “We have people and institutions that are not usually attracted to muni bonds who are interested because they will be green bonds.”

In addition to As You Sow, coalition members include the Climate Bonds Initiative, an investor-

focused, not-for-profit founded to mobilize debt capital markets for climate change; C40 Cities, a network of the world's megacities dedicated to climate change solutions; the International Finance Corporation, an organization of the World Bank Group; the Natural Resources Defense Council, an international environmental advocacy organization; and the CDP, an organization created to encourage sustainable economies.

The playbook is available [here](#).

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