NEWS

Washington State Green Bank Launches Innovative Pilot to Expand Small Business Energy Financing

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New partnership with nonprofit lenders expands access to affordable financing for energy efficiency upgrades

The Washington State Green Bank is launching a new pilot program designed to help Seattle-area small businesses complete energy efficiency upgrades with affordable, flexible financing.

Through the new Interest Rate Buydown Initiative, eligible small businesses may access financing as low as 0% APR for qualified projects, including heating and cooling systems, refrigeration, hot water systems and electric equipment upgrades.

The pilot program is being implemented in partnership with the Seattle Office of Economic Development and two nonprofit Community Development Financial Institutions, or CDFIs: Business Impact NW and Rainier Valley Community Development Fund.

“This pilot is about creating a smarter, more practical way to help small businesses invest in energy efficiency,” said Eli Lieberman, executive director of Washington State Green Bank. “By partnering with mission-driven lenders and building on existing utility rebate programs, we can lower operating costs for businesses, support contractors and suppliers, help utilities meet efficiency goals and reduce emissions at the same time.”

The pilot has approximately $200,000 available in interest rate buydown capital and is expected to support six to seven loans during its initial phase. Program leaders say the goal is to test and prove the model, with the potential to expand similar financing opportunities across Washington in the future.

“This pilot creates an important pathway for business owners to access affordable financing for clean energy upgrades, which is something we only need more of,” said Joe Sky-Tucker, president and CEO of Business Impact NW. “It also demonstrates how community lenders can work alongside contractors, utilities and public partners to bring innovative financing solutions directly to the businesses that need them most.”

“Small businesses are often replacing equipment because something broke or needs an upgrade, not necessarily because they are seeking out energy-efficient options,” said Dr. Alvertis Brooks Jr., executive director of Rainier Valley Community Development Fund. “This program creates a practical opportunity for contractors to introduce more energy-efficient equipment that can qualify for rebates and lower-interest financing, helping businesses lower upfront costs and long-term energy bills.”

“This partnership helps expand access to capital for small businesses that may otherwise struggle to access affordable financing,” said Agraj Dangal, capital access and finance advisor at the Seattle Office of Economic Development. “We’re excited to bring innovative programs like this to the small business community we serve, and partnering with Washington State Green Bank and mission-driven lenders helps us reach more businesses with financing options that can support long-term growth and stability.”

The financing initiative is designed to support multiple community and economic goals, including:

- Helping small businesses lower monthly utility costs and improve long-term financial stability
- Expanding access to energy efficiency financing through trusted nonprofit lenders
- Supporting contractors and suppliers by helping more projects move forward
- Helping utilities distribute rebate programs more effectively
- Advancing local and statewide climate goals through reduced energy use and electrification

To qualify, installed measures must be eligible for rebates through Seattle City Light or Puget Sound Energy. By pairing utility rebates with low-interest financing, the program helps make larger energy efficiency projects more financially achievable for small businesses.

Applications for financing will be handled directly through participating lenders using their standard intake and underwriting processes.

Washington State Green Bank also announced that it will soon rebrand as “Washington Builds,” reflecting the organization’s growing focus on forward-looking and community-centered investment strategies across Washington.

For more information, please email hello@wabuilds.org

About Washington State Green Bank

Washington State Green Bank, soon to be Washington Builds, is a statewide nonprofit financial institution that provides accessible and affordable financing for energy efficiency and renewable energy projects for Washington residents, businesses, and agriculture that reduce costs, lower greenhouse gas emissions, and create jobs statewide. The organization was established with support from the Climate Commitment Act and the Washington State Department of Commerce.

Media Contact:

WAGB: elieberman@wabuilds.org

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