



Better Buildings Residential Financing and Revenue Peer Exchange Call Series: *Socially Responsible Investing*

Call Slides and Discussion Summary

December 19, 2013

Agenda

- Call Logistics and Introductions
- Featured Participant
 - Doug Coward and Duane Andrade, Solar and Energy Loan Fund, St. Lucie County, FL
- Discussion:
 - What types of institutions may be interested in socially responsible investing for energy efficiency?
 - What can help your program “make the case” for energy efficiency as an attractive socially responsible investment?
 - How appropriate is socially responsible investment for a wide range of programs?
 - What should programs do to get started?
- Future Call Topics

Call Participants

- Atlanta, GA
- Augusta, ME
- Baltimore, MD
- Chicago, IL
- Connecticut
- Kansas City, MO
- Saint Lucie County, FL
- Seattle, WA
- Washington, DC

Better Buildings Residential Network

- **Better Buildings Residential Network**: Connects energy efficiency programs and partners to share best practices to dramatically increase the number of American homes that are energy efficient.
 - Membership: Open to organizations committed to accelerating the pace of existing residential upgrades. Commit to providing DOE with annual number of residential upgrades, and information about benefits associated with them.
 - Benefits:
 - Peer Exchange Calls
 - Tools, templates, & resources
 - Newsletter updates on trends
 - Recognition: Media, materials
 - Optional benchmarking
 - Residential Solutions Center

For more information & to join, email bbresidentialnetwork@ee.doe.gov.

- **Better Buildings Residential Network Group on Home Energy Pros**

Join to access:

- Peer exchange call summaries and calendar
- Discussion threads with energy efficiency programs and partners
- Resources and documents for energy efficiency programs and partners

<http://homeenergypros.lbl.gov/group/better-buildings-residential-network>

Peer Exchange Call Series

- There are currently 6 Peer Exchange call series:
 - Data & Evaluation
 - Financing & Revenue
 - Marketing & Outreach
 - Multi-Family/ Low Income Housing
 - Program Sustainability
 - Workforce/ Business Partners
- Calls are held the 2nd and 4th Thursday of every month at 12:30 and 3:00 ET
- Upcoming calls:
 - Opportunities through the PowerSaver Loan Program (Jan 23)
 - Expanding PACE (May 22)
 - Loan Programs for Low and Moderate Income Households (March 13)
 - Effective Loan Program Design and Integration with Contractors (June 26)

Send call topic ideas or requests to be added to additional call series distribution lists to peerexchange@rossstrategic.com.

Solar and Energy Loan Fund (SELF)

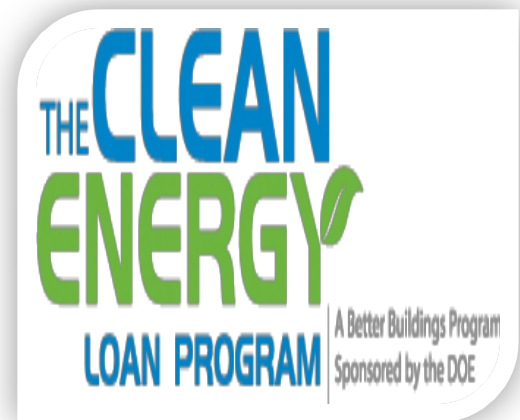


December 2013

SELF administers St. Lucie's Better Buildings Neighborhood Program

St. Lucie County's clean energy financing initiative was selected by the U.S. Department of Energy as one (1) of twenty (20) local programs in the Nation to receive funding (\$2.94 million) through the highly competitive Energy Efficiency and Conservation Block Grant (EECBG) program.

The scalable working model consists of an independent non-profit corporation (SELF) that operates as a "Green" Community Development Financial Institution (CDFI).



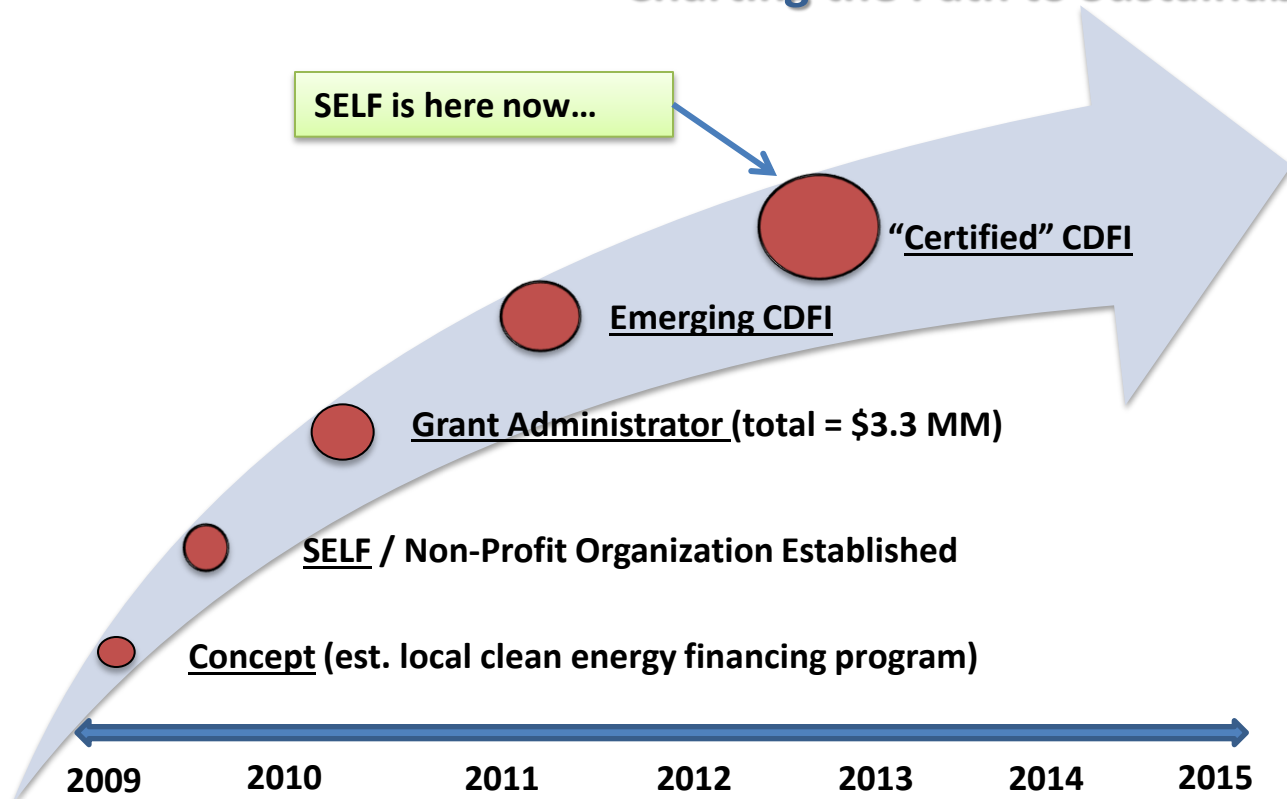
Mission

SELF is a Florida-based non-profit organization whose mission is to provide energy expertise and favorable financing to underserved residents, small businesses and communities in order to yield sustainable community development, local employment and economic development opportunities, enhanced quality of life, greater efficiencies, clean energy alternatives, and energy independence.



The Big Picture...

“Charting the Path to Sustainability”



Activity Report (through December 2013)

Energy Audits = 860

Approved Loans = 247

- Total Amount of RES Loans = \$2.17 million
- Average Size of RES Loan = \$9,000
- Approximately 85% of these loans have been for energy efficiency and about 15% renewable energy (i.e, Solar thermal and Solar Photovoltaics – PV panels).

Interest Rates

Two (2) general categories based on the type of clean energy improvements:

- Energy Efficiency (6-9.5% APR) – depending on credit worthiness.
- Renewable Energy (6-7% APR) – depending on credit worthiness.

Note:

Special discounts apply to all members of the U.S. Military (active and veterans).

Contact Us

Doug Coward

Executive Director

Duanne Andrade

Chief Financial Officer

Website:

<http://cleanenergyloanprogram.org/>

Facebook:

www.Facebook.com/SolarEnergyLoanFund

Twitter:

www.Twitter.com/SolarEnergyLoan

LinkedIn:

www.linkedin.com/company/solar-and-energy-loan-fund

Discussion

- What types of institutions may be interested in socially responsible investing for energy efficiency?
- What can help your program “make the case” for energy efficiency as an attractive socially responsible investment?
- How appropriate is socially responsible investment for a wide range of programs?
- What should programs do to get started?

Discussion: Lessons Learned

- Faith-based organizations (FBOs) that do community development investing can provide a key source of funding, particularly in initial years. FBOs have provided \$585,000 to St. Lucie County, FL.
- To attract FBO investment as a sustainable long-term solution, emphasize the social benefits of the investment and the systemic solutions you provide for low-income communities.
- If you are interested in FBOs, expect them to be involved in your program. The SELF program in St. Lucie County received a recommendation from an FBO investor to diversify its board.
- Socially responsible investors need to see both a financial return as well as community impact.

Discussion: Lessons Learned

Opportunities in Socially Responsible Investing:

- Some corporations have socially responsible investing missions that will invest in larger programs (e.g., >\$5 million in affordable housing assets).
- Social impact investors: FBOs and organizations interested in conscious and ethical investment (e.g., environmental/social justice, community development).
- Foundations pursuing program-related investments as an alternative strategy to invest their endowment.
 - Mission Investors Exchange: >200 foundations seeking to use their endowment to support mission-related initiatives:
<https://www.missioninvestors.org>
- Some banks are required under the Community Reinvestment Act to provide investments that support their local community.

Discussion: Lessons Learned

Connecticut Clean Energy Finance and Investment Authority (CEFIA): Foundation Funding

- Connecticut CEFIA focuses on accelerating energy efficiency and clean energy investments.
- A foundation provided a challenge financing offer: \$1 million solar loan portfolio if CEFIA could raise matching funding. The foundation then found another investor willing to provide an additional \$3 million.

Considerations for Socially Responsible Investments:

- The term of investments may require a rapid return (e.g. five years), which can limit the type of energy efficiency upgrades offered. Programs should make sure that energy efficiency measures deliver results within the term of the loan.

Appendix: Additional Information on SELF

National Award-Winning Non-Profit*



SELF
SOLAR AND ENERGY LOAN FUND



St. Lucie County received an Achievement Award for local energy programs in May 2012 from the National Association of Counties (NACo).

Organization Structure

SELF is a Florida non-profit corporation with:

- An nine (9) member Board of Directors;
- Articles of Incorporation and By-Laws;
- 501(c)(3) status from the IRS; and,
- Certification as a Community Development Financial Institution (CDFI) From the U.S. Department of the Treasury.

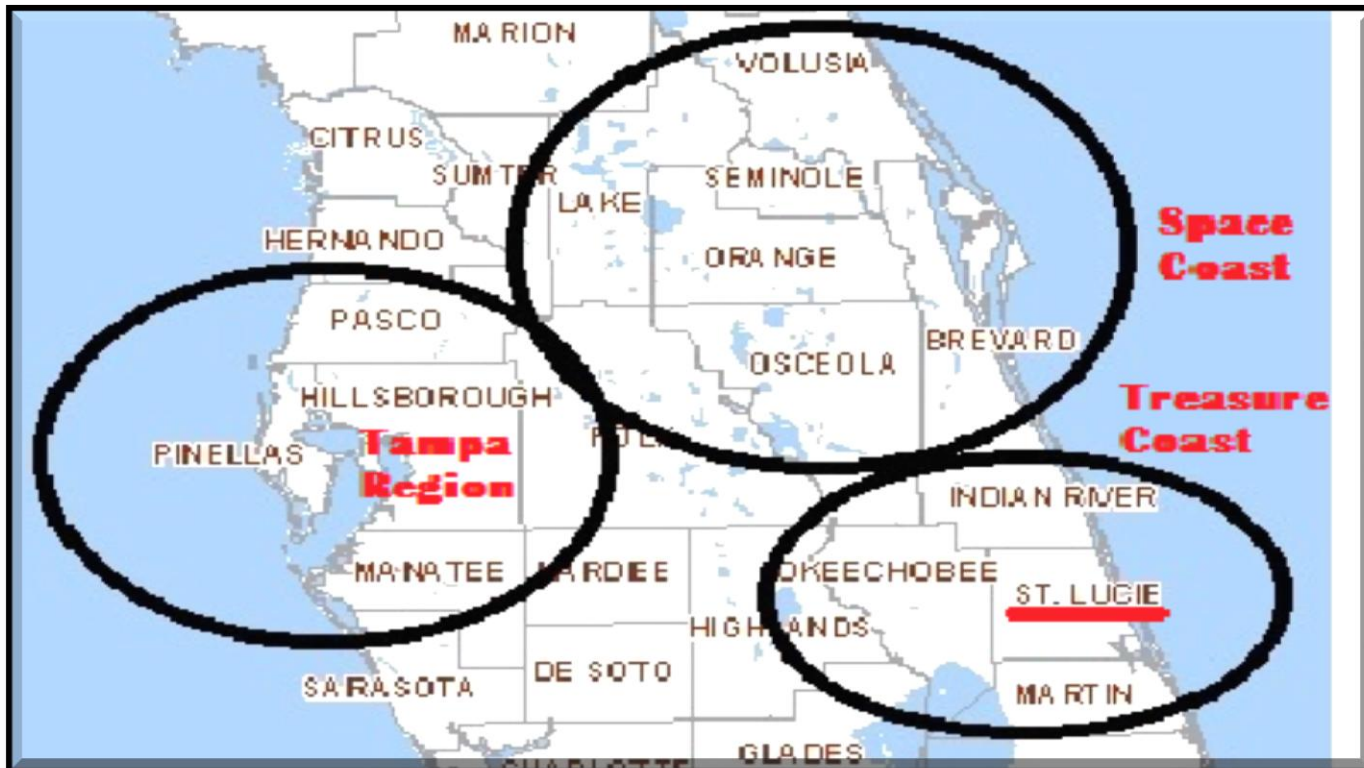
Program Overview

SELF provides TWO (2) PRIMARY SERVICES:

- 1) ENERGY EXPERTISE through energy assessments, audits, client consultations, educational forums, and more;
- 2) FAVORABLE FINANCING for recommended clean energy technologies.

SELF finances more than two (2) dozen energy saving products, with a minimum goal of 15% energy savings. To date, SELF clients have averaged more than 20% reduction in energy consumption.

THREE (3) REGIONS included in the MARKET STUDY:
(1) Treasure Coast; (2) Space Coast; and, (3) Tampa.



Local Government Assistance

Counties:



St. Lucie



Martin



Indian River



Okeechobee



Brevard

Cities:



Stuart



Fellsmere



Sebastian

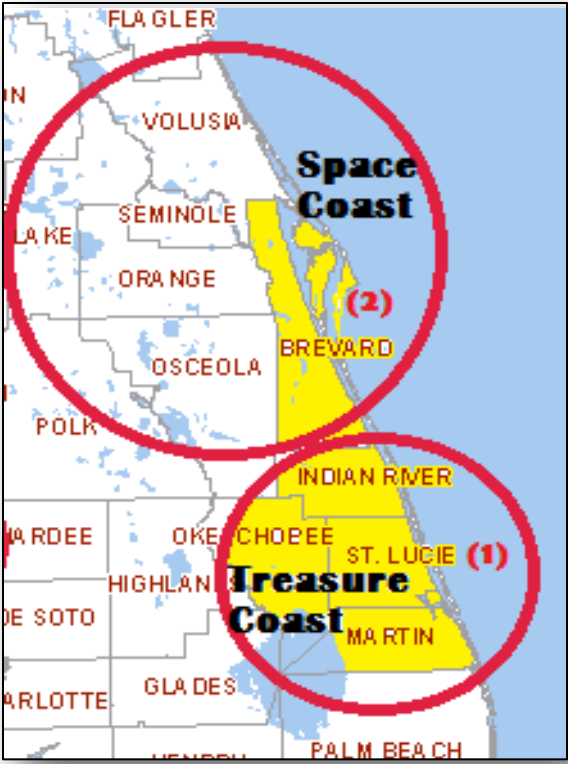


Fort Pierce



Port St. Lucie

Existing Service Territory



Two (2) Regions:



150 miles	Space Coast	Brevard County only. Serves as regional anchor & future hub.
	Treasure Coast	St. Lucie, Martin, Indian River, and Okeechobee Counties.

Office Locations

