



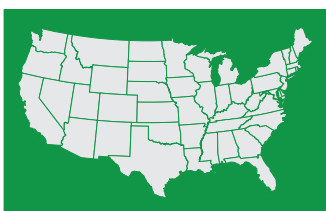
Inclusive Prosperity Capital

inclusiveprosperitycapital.org

ABOUT THIS PROJECT

Our country's aging electricity system is increasingly vulnerable to extreme events, and communities with low-to-moderate incomes suffer disproportionately when power is unavailable. One avenue increasingly available in more affluent areas is solar generation paired with storage (solar+storage). These types of systems offer resiliency as well as methods for reducing overall energy costs and carbon footprint. This investment intends to increase equity within the emerging solar+storage market by demonstrating the resiliency value and financing model for housing authorities, CDFIs and other investors in the community development finance space. Supported projects can include community facilities, affordable housing and municipal buildings, as well as clean energy for affordable single- and multi-family developments and other project finance in partnership with developers operating in underserved markets.

IMPACTED LOCATION



Northeast and National

YEAR APPROVED

2019

TYPE OF TRANSACTION

PRI Loan



Workers install solar panels on the Humacao fire station in Rincon, Puerto Rico. This is an example of the use of solar+storage and included partner Clean Energy Group.

WHY WAS THIS NEEDED?

Challenge: In addition to generating clean energy and cost savings for properties, solar+storage solutions can provide resilient power in the event of grid outages. But low-income communities do not typically have financial access to these technologies, despite serving vulnerable populations that could greatly benefit from them.

Solution: This investment will back installation of resilient power systems that combine solar panels and batteries on roughly a dozen affordable housing and community buildings in low-income neighborhoods. These combined systems reduce electricity bills and carbon emissions while ensuring that communities of color and communities with low-to-moderate incomes have access to electricity during disruptions to the power grid.

KRESGE PROGRAM

Environment

AMOUNT OF INVESTMENT

Up to \$3 million

GRANT SUPPORT

Up to \$300,000

TERM OF INVESTMENT

2%, 10 years



Maycroft Apartments Rendering, a fully renovated 64-unit apartment building for people with low incomes in Washington, D.C. This was the first affordable housing development in the area with a resiliency center using solar+storage. Photo: Jubilee Housing

ABOUT THE BORROWER

Inclusive Prosperity Capital (IPC) was founded as a nonprofit in October 2018, and its mission is to scale and deploy financing for clean energy and other climate resilience projects in the Northeast, Midwest and beyond. IPC operates with the belief that the benefits of the green energy economy should be accessible to everyone. It addresses this gap by increasing access to capital for low-to-moderate income communities and nontraditional credits like nonprofits, faith-based organizations, housing authorities, schools, and smaller businesses. Through a suite of financing products and network of partners, IPC works to reduce the energy burden on residents, improve the health and resiliency of homes and multifamily properties, and help businesses and nonprofits in distressed communities. IPC is a strategic partner of the Connecticut Green Bank, focused on scaling the Green Bank's work in Connecticut, and expanding this successful model into other states and regions by accessing new capital sources.

IMPACT MEASURE

\$20 million expected to be leveraged

KEY PARTNERS:

Connecticut Green Bank

Key Considerations



Joe Evans

Portfolio Manager
Social Investment Practice

- » The loan was part of Kresge Community Finance (KCF), an initiative designed to make long-term, low-cost capital available to Community Development Financial Institutions (CDFIs) and Development Finance Authorities (DFAs) pursuing lending activity that advanced one or more Kresge programmatic strategies.
- » This investment was originally made to Connecticut Green Bank in 2017. In 2019, Kresge agreed to transfer this loan to IPC, a CGB spin-out formed to replicate CGB's work beyond Connecticut, including support for more equitable access to solar+storage technologies.
- » To help spur IPC's initial investor base, in January 2019, Kresge closed a \$10 million guarantee to IPC that we expect will leverage at least \$40 million in non-philanthropic capital.
- » Both of Kresge's investments in IPC are directly aligned with the Environment Program's mission of enhancing climate resilience in communities with low incomes.
- » These are early days for the deployment of resilient power, so proof points around more equitable access and that demonstrate the viability and wide-ranging benefits of this strategy are important nationally.



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