

# Solar and Energy Loan Fund



**Non-Profit  
Community  
Lending  
Organization**



**October 2, 2017**

# BACKGROUND

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- ❑ St. Lucie County was 1 of 22 local governments in America to receive funds from the US Dept. of Energy in 2009 to create an innovative clean energy financing program (i.e., green CDFI)
- ❑ SELF is an independent, non-profit 501(c)(3) Florida corporation established in 2010, which is overseen by a seven (7) member Board of Directors and a staff of seven (7)
- ❑ SELF's loan program became operational in the Spring of 2011
- ❑ SELF started as a pilot program in St. Lucie County, with the intent of scaling the CDFI program and helping the County develop a Property-Assessed Clean Energy (PACE) program
- ❑ SELF has raised about \$10 million in loan capital and grants

# MISSION

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Rebuild and empower underserved communities by providing access to affordable and innovative financing for sustainable property improvements, including: energy efficiency; renewable energy; wind-hazard mitigation; and, water conservation projects.



# PRIMARY SERVICES

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1. BUILDING SCIENCE AND ENERGY EXPERTISE
2. FINANCIAL INCLUSION/ ACCESS to FAVORABLE FINANCING
3. PROJECT MANAGEMENT

# LENDING PROGRAMS

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1

CDFI

Community Development  
Financial Institution (CDFI).  
Residential Loans ([Statewide](#))

2

KIVA

Worldwide Crowdfunding  
For Veterans & Women  
Residential Loans ([Statewide](#))

3

PACE

Property-Assessed Clean Energy  
Land Secured Assessments  
Res. & Com. ([St. Lucie Only](#))

SELF has created the most robust suite of local clean energy financing programs in America for St. Lucie County residents

# WHAT IS A CDFI



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- ❑ Community Development Financial Institutions (CDFIs) are private financial institutions dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream
- ❑ CDFIs must direct at least 60% of their financial product activities to one or more eligible low-income target markets, targeted populations, and investment areas
- ❑ SELF has consistently exceeded minimum CDFI lending thresholds and is dedicated to servicing market niches that are often underserved by traditional financial institutions
- ❑ SELF was originally certified as a CDFI in 2012, and then re-certified in 2016 and granted statewide approval

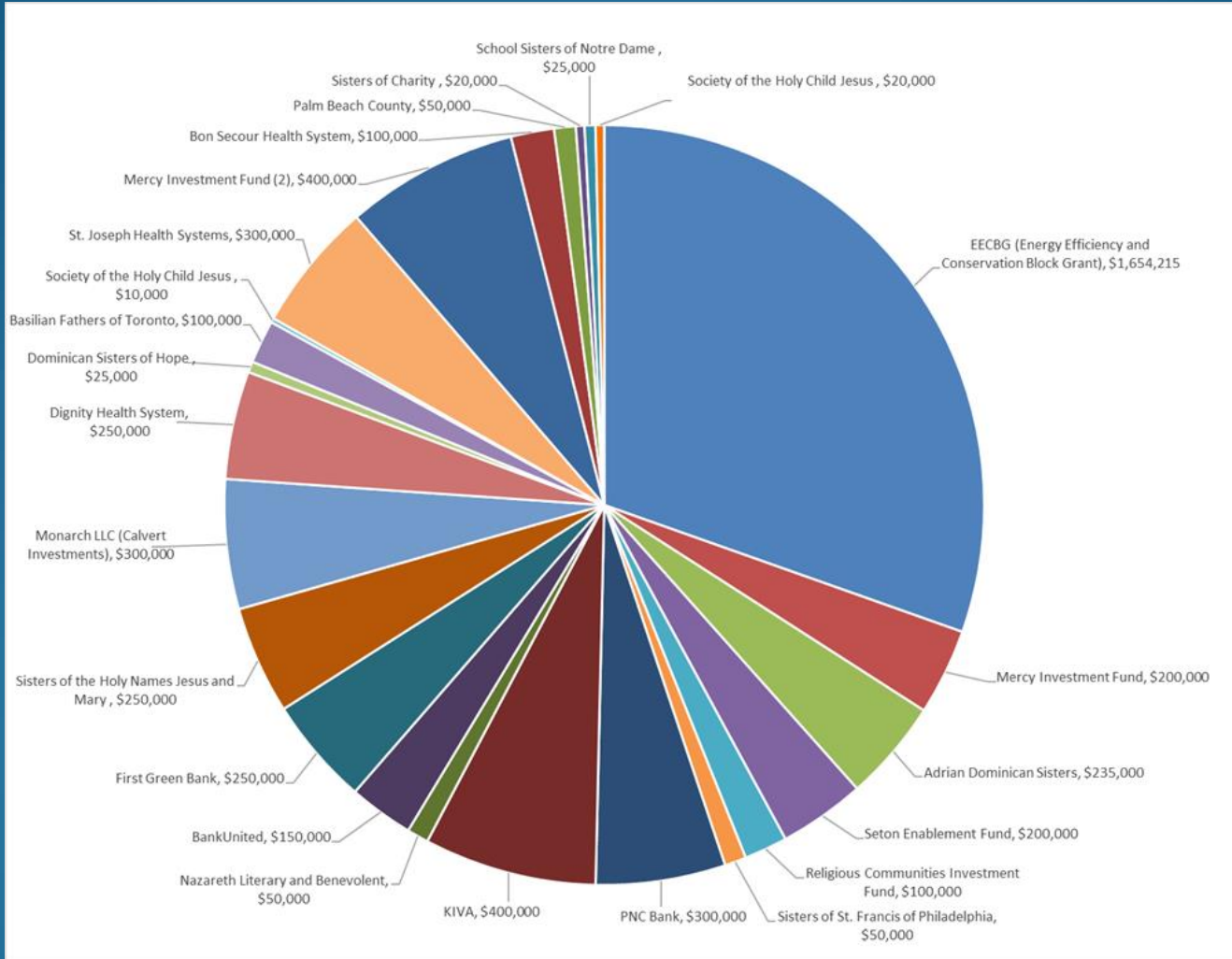
# TYPES OF IMPROVEMENTS

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- 1) Energy Efficiency (e.g. weatherization, insulation, high-efficiency HVAC, LED lights)
- 2) Renewable Energy (e.g., solar water heaters, solar PV panels, solar attic fans, solar A/C systems)
- 3) Wind-Hazard Mitigation (e.g., roofs, windows, doors, hurricane shutters)
- 4) Water Conservation (e.g., cisterns, rain barrels, and high-efficiency irrigation systems)
- 5) Water Quality (e.g., septic tank conversion to central sewer)
- 6) Disability Products (wheelchair ramps, walk-in showers, etc.)

# CAPITAL PROVIDERS (23)

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# SPECIAL PROGRAMS

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Worldwide crowdfunding platform  
Peer-to-peer lending  
Total Raised = \$456,000

SELF is one of a dozen approved field partners in North America.

This innovative crowdfunding program promotes clean energy, green jobs, and helps to alleviate poverty.

Target Groups:

- 1) Women (50)
- 2) Veterans (18)

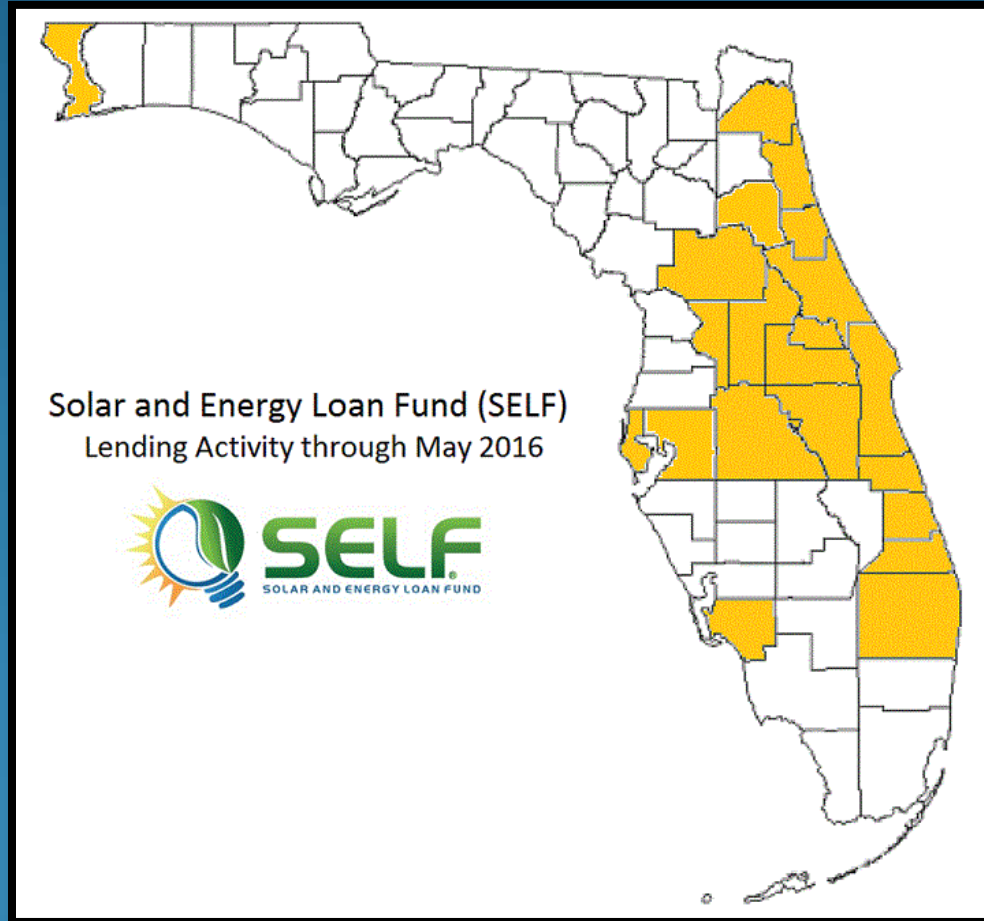
# CDFI RESULTS

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- ❑ Completed over 1,000 energy assessments and closed nearly 700 loans totaling \$5.7 million
- ❑ Approximately 70% of loans have been in Low- and Moderate-Income (LMI) census tracts, 50% for seniors, 40% for women, and 20% for veterans. Default rates are approximately 1%;
- ❑ Clients have reduced average household energy consumption by 23% (i.e., carbon footprint). Several clients have achieved net-zero;
- ❑ Homeowners are making much-needed home improvements that enhance comfort, health and quality of life, increase home equity, reduce operating costs, and safeguard against storms and hurricanes;
- ❑ Creating local jobs for hardest hit sector in FL (i.e., construction industry). 200+ approved contractors. #1 contractor has completed more than \$1 million of projects financed by SELF.

# LENDING FOOTPRINT

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# PROPERTY-ASSESSED CLEAN ENERGY

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- ❑ The State of Florida created PACE enabling legislation in 2010;
- ❑ St. Lucie County was the 2<sup>nd</sup> local government in Florida to develop a local PACE program (2010)
- ❑ St. Lucie County received bond validation for the program in 2010;
- ❑ SELF assisted St. Lucie County in developing the PACE program modeled after Sonoma County, CA
- ❑ SELF also assisted St. Lucie County with 2 RFPs to competitively obtain private financing. No taxpayer funding put at risk
- ❑ St. Lucie County signed an agreement with Inland Green Capital LLC to provide the first \$1 million for the program
- ❑ St. Lucie County initially approved a Commercial PACE program only, which was more restrictive than state law (e.g., lender consent)
- ❑ St. Lucie County approved adding Residential PACE in late 2016, and SELF negotiated with Inland Green Capital to fund the PACE manager position, which began in February 2017

# PACE REQUIREMENTS

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## ☐ Eligibility:

1. All St. Lucie County Property owners, including Residential, Commercial, Industrial, Agricultural, Institutional, and Non-Profits
2. Countywide program that includes Port St. Lucie and Fort Pierce
3. Subject property must have equity
4. Taxes must have been paid on-time over the last 3 years

## ☐ Allowable Types of Improvements:

1. Energy Conservation and Efficiency (e.g., high efficiency A/C)
2. Renewable Energy (e.g., solar PV)
3. Wind Hazard mitigation (e.g., roofs, windows, hurricane shutters)

## ☐ Maximum Size of Projects:

1. 100% of Net Equity
2. 20% of Assessed Value as per St. Lucie County Property Appraiser, whichever is less (please see examples)

# PACE EXAMPLES

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## Pre-Qualification Criteria:

1. Equity in the home
2. Paid taxes on time last 3 years

## Amount of PACE financing

1. Net Equity in the home
2. Up to 20% of Assessed Value

## Single Family Home

Assessed Value = \$150,000

Outstanding Mortgage = \$100,000

Net Equity = \$50,000

20% of Assessed Value = **\$30,000**

## Single Family Home

Assessed Value = \$150,000

Outstanding Mortgage = \$125,000

Net Equity = **\$25,000**

20% of Assessed Value = \$30,000

# AWARDS AND RECOGNITION

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- ❑ National Achievement Award for local energy programs from the National Association of Counties (NACo) - 2012
- ❑ “Green Business of the Year” award from the South Florida Chapter of the U.S. Green Building Council - 2013
- ❑ Identified by the Opportunity Finance Network as “1 of 5 trailblazing CDFIs in America” – 2015
- ❑ “Exceptional Non-Profit in Innovation” award from 211/TC - 2015
- ❑ Highlighted in the White House report on “Innovative Financing for Clean Energy Technologies” – 2016
- ❑ Identified by U.S. DOE staff as a “shining legacy of the Better Buildings Neighborhood Program” and featured in their national newsletter of the Better Buildings Network– 2017
- ❑ “Non-Profit of the Year” finalist from 211/Treasure Coast - 2017

# Bulk-Rate Solar Initiative

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Typical cost for solar PV is about **\$3.50 per watt**

Typical size system to go “net zero” = 8.4 kW

Total cost = \$29,400

30% Federal Tax Credit = \$8,820

**Net Cost = \$20,580**

Bulk-Rate cost for solar PV is **\$2 per watt**

Typical size system to go “net zero” = 8.4 kW

Total cost = \$16,800

30% Federal Tax Credit = \$5,040

**Net Cost = \$11,760**

# CONTACT INFORMATION

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