



REINVESTMENT
FUND

Sustainable Development Fund

2022-2023 Report

About Reinvestment Fund

- Reinvestment Fund is a national mission-driven financial institution that creates opportunity for underserved people and places through partnerships. We marshal the capital, analytics, and expertise necessary to build strong, healthy, and more equitable communities.
- Since 1985, Reinvestment Fund has made **\$2.7 billion** in cumulative investments and loans.
- We are supported by over **830 investors** that include individuals, foundations, religious institutions, financial institutions, civic organizations and government.



Our Impact in Numbers

A+

S&P Rating



830

Investors

184

Grocery Stores and Other Healthy
Food Outlets

1,373,042

MMBTUs Traditional Energy
Conserved and Clean Energy
Generated Annually — Enough to
Power 5,115 Homes for a Year

\$2.7 billion

In Total Investments

24,975

Homes

2 million

People Positively Impacted



41,772

Permanent Jobs

113,229

Educational Opportunities for
Students

25.7 million

Square Feet of Commercial and
Community Facility Space

1.5 million

Annual Patient Visits

316

Minority- or Women-Owned /
Controlled Businesses



REINVESTMENT
FUND

2022 SDF Activity

Lending

- Majority of SDF lending capital was deployed in 2016, 2017, 2018 in ~7+ year loans; these are now reaching maturity, with the funds returned and made available again to be re-deployed into new projects
- Loan maturities and loan prepayments resulted in \$8.4 million being available for new lending at year end
- No new loans closed in 2022, leaving a portfolio of \$3.4 million in loan receivables outstanding at year end across four loans
 - Overall, 2022 was a relatively quiet year for clean energy lending by Reinvestment Fund
 - Loan pipeline is being refilled (see following slides)

Grantmaking

- No new grants in 2022
 - Discussing with SDF Board how to efficiently award and effectively disburse funds (\$250k currently approved for new grant awards)

2023 SDF Year Ahead

Lending & Grantmaking

➤ Legal Settlement

- On March 2, 2023, a Final Order was issued by the PA PUC in a legal case that dates back to a civil complaint filed by the Commission in 2018
- The Commission was seeking the return of certain PECO ratepayer funds and considered four different uses for those funds
- The Order resulted in the distribution of the full \$6 million Settlement Amount to SDF
- These funds were received on March 14, 2023, and are now available for new loans and grants

2023 SDF Year Ahead

Lending Pipeline

- One new loan currently in underwriting (Philadelphia, PA)
 - Supermarket co-op with a priority on sustainability, using renewable energy, and electrification is opening a new location in a currently vacant building (insulation, HVAC, LED lighting)
 - Approx. \$1.2 million
- One prospect in early structuring stage
 - Loan facility to support the expansion of energy-efficiency upgrades and solar installations among low-income households in Philadelphia
 - In discussion with local partner
- Second prospect under review
 - Bridge loan to facilitate electrical upgrades in a large Philadelphia park
 - In discussion with project sponsors

2023 SDF Year Ahead

Other Considerations

- Reinvestment Fund Strategic Plan
 - Work started in 2022 and has resulted in a roadmap for the organization, with implementation details to be determined
 - A multi-year process, but climate-change impacts are a key component
- Working more closely with peer organizations
- Committing additional resources to climate work, especially considering the additional funds received through the legal settlement

Governance

SDF Board

- Board met in December 2022
 - Two new board members were approved during the year
- Board meeting expected in first half of 2023 to discuss grantmaking approach

Bylaws

- Board proposal includes:
 - Adjustments to the length of the terms of board members
 - Number of required yearly meetings
 - Tailoring the mission to explicitly include projects that are emission reducing overall, even if they result in increased electrical usage



REINVESTMENT
FUND

Sustainable Development Fund

2022-2023 Report