



REINVESTMENT
FUND

Sustainable Development Fund

2023-2024 Report

2023 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 result in \$13.8 million being available for new lending at year end
- In 2023, we originated and closed one loan resulting in a portfolio of \$5.3 million in loan receivables outstanding at year end across four loans

Grantmaking

- New grant program of \$250,000 in funding approved by SDF board and launched in 2023
 - Applications requested, received and under review
 - Grant awards estimated April 2024
 - Prospective projects – early education, affordable housing, social services.

2023 SDF Activity – Closed Loan Deal Highlight

Project: Weavers Way Co-op
Location: Germantown neighborhood of Philadelphia
Financing: Provided \$2.5M in loans including \$1.21M of SDF Capital
Project Cost: \$7.2M redevelopment project



This new store for Germantown received a Healthy Food Financing Initiative grant in addition to the financing from Reinvestment Fund. The store has also received support from state, local, and federal sources including an earmark from congressman Dwight Evans.



2023 SDF Activity

➤ 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 Order resulted in the distribution of the full \$6 million Settlement Amount to SDF, received on March 14, 2023.



2024 SDF Year Ahead

Lending Pipeline

- One new loan currently in underwriting (York, PA)
 - Nonprofit serving Latinx immigrant, foremost in the mid-Atlantic region and a national leader in supporting immigrant families from and ensuring that all individuals have the core supports necessary for full participation in society.
 - Energy efficiency measure include better insulation, a new HVAC system, and other building envelope measures
 - Approx. \$2 million

- Pipeline project in early underwriting (Philadelphia, PA)
 - Est. \$5.3 million financing for energy efficiency measures to Sullivan Impact Center - a multi-purpose, community use facility with services for youth, violence intervention programs and arts programming to support African American, women-owned and local businesses.
 - Developed by neighborhood community development corp. (CDC) dedicated to renewal, restoration and revitalization of underserved neighborhoods. Focused on Nicetown-Tioga neighborhood of North Philly.

- Prospect under review (Philadelphia, PA)
 - \$3.23 million construction loan to build 40 housing units for low- income individuals and families in Mantua area of Philadelphia
 - Project meets Enterprise Green Communities standard

2024 SDF Year Ahead

Other Considerations

- EPA's Greenhouse Gas Reduction Act funding expected to stimulate demand for energy efficiency and community solar projects
 - SDF Opportunity would be to closely work with other GGRF awardees and sub-awardees/CDFIs/peer organizations



Governance

SDF Board

- Board met in December 2023
- Approved launch of SDF grant program

Bylaws

- Board approved amended bylaws, filed in Feb 2024. Updates include:
 - Adjustments to the length of terms of board members
 - Annual SDF Board meetings
 - Tailoring the mission to explicitly include projects that are emission reducing overall, even if they result in increased electrical usage



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