

## Societal Benefits: **Equity - Investment in Vulnerable Communities**



**Background:** The Green Bank stimulates economic activity in the state through its program related and strategic lending and investing, specifically in vulnerable communities. Investment can be tracked by census tract, or other means, to determine how vulnerable communities benefit from the Green Bank's programs and products.

The Comprehensive Plan of the Green Bank has established a goal that by 2025 no less than 40 percent of investment and benefits will inure to vulnerable communities through its incentive and financing programs. To help the Green Bank measure progress, it tracks investments and benefits (e.g., number of project units, deployment) in vulnerable communities, with a focus on those communities eligible for CRA, as well as environmental justice communities.

**Projects in Vulnerable Communities:** During the fall 2020 Special Session, the Connecticut General Assembly passed Public Act 20-5 to address emergency response by the state's electric utilities during recent storms. Within the resiliency aspects of a bill, a definition for "vulnerable communities" was included:

"Vulnerable communities" means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities, pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment act of 1977, 12 USC 2901 et seq., as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection (DEEP) in consultation with community representatives."

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### Activity & Projects

Table 1: Green Bank Commercial and Residential<sup>3</sup> Activity in Vulnerable and Not Vulnerable Communities by FY Closed<sup>4</sup>

Fiscal Year	# Project Units <sup>52</sup>				MW				Total Investment			
	Total	Not Vulnerable	Vulnerable	% Vulnerable	Total	Not Vulnerable	Vulnerable	% Vulnerable	Total	Not Vulnerable	Vulnerable	% Vulnerable
2012	288	220	68	24%	1.9	1.5	0.4	22%	\$9,901,511	\$7,821,061	\$2,080,450	21%
2013	1,114	875	239	21%	23.5	7.0	16.4	70%	\$111,141,216	\$31,581,624	\$79,559,591	72%
2014	2,567	1,732	835	33%	23.4	13.3	10.1	43%	\$106,967,336	\$66,050,546	\$40,916,791	38%
2015	6,748	4,146	2,602	39%	62.2	41.9	20.3	33%	\$320,854,801	\$192,330,838	\$128,523,963	40%
2016	8,309	3,814	4,495	54%	65.8	38.0	27.8	42%	\$320,195,856	\$158,074,651	\$162,121,205	51%
2017	6,141	2,142	3,999	65%	50.0	22.0	28.0	56%	\$180,316,392	\$74,351,675	\$105,964,717	59%
2018	8,392	3,072	5,320	63%	56.4	25.9	30.5	54%	\$221,793,695	\$99,927,579	\$121,866,117	55%
2019	13,589	7,607	5,982	44%	64.3	30.3	34.0	53%	\$319,540,045	\$156,052,153	\$163,487,892	51%

### Projects by Income Bands

In addition to tracking funding and clean energy deployment in distressed municipalities, the Green Bank works to ensure that low to moderate income (LMI) census tracts across the entire state benefit from its programs. The Green Bank defines low to moderate income as 100% or less of the Area Median Income (AMI) of a Metropolitan Statistical Area (MSA). Table 2 groups the Green Bank's residential projects by the average area median income (AMI) of their census tract from the American Community Survey (ACS) 5-Year Estimate data.

Table 2: Green Bank Commercial and Residential<sup>7</sup> Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% by FY Closed<sup>8</sup>

Fiscal Year	# Project Units <sup>99</sup>				MW				Total Investment			
	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below	Total	Over 100% AMI	100% or Below AMI	% at 100% or Below
2012	288	245	43	15%	1.9	1.7	0.3	13%	\$9,901,511	\$8,689,504	\$1,212,007	12%
2013	1,114	941	173	16%	23.5	7.5	16.0	68%	\$111,141,216	\$34,419,631	\$76,721,585	69%
2014	2,567	1,919	648	25%	23.4	14.6	8.8	37%	\$106,967,336	\$72,162,931	\$34,804,406	33%
2015	6,748	4,935	1,813	27%	62.2	48.2	14.0	22%	\$320,854,801	\$222,469,830	\$98,384,971	31%
2016	8,306	5,338	2,968	36%	65.5	45.2	20.3	31%	\$318,982,802	\$206,318,193	\$112,664,609	35%
2017	6,141	2,876	3,265	53%	50.0	30.2	19.8	40%	\$180,316,392	\$99,887,056	\$80,429,335	45%
2018	8,387	4,050	4,337	52%	55.3	33.9	21.4	39%	\$218,383,681	\$128,357,854	\$90,025,828	41%
2019	9,249	4,785	4,464	48%	64.1	38.9	25.2	39%	\$271,124,301	\$145,239,133	\$125,885,168	46%
2020	8,568	4,988	3,580	42%	66.4	41.8	24.6	37%	\$256,645,092	\$154,020,014	\$102,625,079	40%
2021	6,593	4,130	2,463	37%	64.3	45.6	18.7	29%	\$258,879,137	\$174,118,761	\$84,760,376	33%
2022	2,669	1,735	934	35%	21.2	15.3	6.0	28%	\$105,229,663	\$65,016,185	\$40,213,477	38%
2023	1,831	1,245	586	32%	63.2	40.6	22.6	36%	\$156,925,807	\$101,600,407	\$55,325,400	35%
2024	1,497	1,115	382	26%	118.9	58.1	60.8	51%	\$414,542,650	\$213,656,599	\$200,886,052	48%
<b>Total</b>	<b>63,958</b>	<b>38,302</b>	<b>25,656</b>	<b>40%</b>	<b>679.9</b>	<b>421.6</b>	<b>258.3</b>	<b>38%</b>	<b>\$2,729,894,388</b>	<b>\$1,625,956,096</b>	<b>\$1,103,938,292</b>	<b>40%</b>

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### CRA & Distressed Communities

#### Projects by CRA Eligibility

The Community Reinvestment Act was enacted by Congress in 1977 to encourage depository institutions to lend in low-to-moderate-income communities. These lending institutions are rated by regulators as to the volume of their lending to projects in these communities by regulators. Projects are potentially compliant with CRA requirements if they are below 80% of a Metropolitan Statistical Area's (MSA) Adjusted Median Income (AMI) level or if the program is designed to serve LMI customers.

Table 3. Green Bank Commercial and Residential<sup>9</sup> Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% by FY Closed<sup>10</sup>

Fiscal Year	# Project Units <sup>63</sup>				MW				Total Investment			
	Total	Over 80% AMI	80% or Below AMI	% at 80% or Below	Total	Over 80% AMI	80% or Below AMI	% at 80% or Below	Total	Over 80% AMI	80% or Below AMI	% at 80% or Below
2012	288	271	17	6%	1.9	1.9	0.1	4%	\$9,901,511	\$9,513,651	\$387,860	4%
2013	1,113	1,036	77	7%	23.4	8.2	15.2	65%	\$111,106,214	\$38,183,467	\$72,922,747	66%
2014	2,566	2,224	342	13%	23.4	17.6	5.8	25%	\$106,931,771	\$84,485,918	\$22,445,853	21%
2015	6,748	5,592	1,156	17%	62.2	54.6	7.6	12%	\$320,854,801	\$250,469,005	\$70,385,796	22%
2016	8,305	5,645	2,660	32%	65.5	53.2	12.3	19%	\$318,935,500	\$237,503,075	\$81,432,425	26%
2017	6,141	3,251	2,890	47%	50.0	33.9	16.0	32%	\$180,316,392	\$115,307,570	\$65,008,822	36%
2018	8,385	4,662	3,723	44%	55.3	40.4	14.9	27%	\$218,366,681	\$151,571,729	\$66,794,952	31%
2019	9,248	5,036	4,212	46%	64.1	46.3	17.7	28%	\$271,082,081	\$168,096,107	\$102,985,974	38%
2020	8,569	5,373	3,196	37%	66.4	49.7	16.7	25%	\$256,656,160	\$180,828,157	\$75,828,003	30%
2021	6,597	4,431	2,166	33%	64.4	49.4	15.0	23%	\$259,059,851	\$185,295,520	\$73,764,331	28%
2022	2,672	1,916	756	28%	21.3	16.6	4.7	22%	\$105,264,605	\$79,458,274	\$25,806,331	25%
2023	1,834	1,280	554	30%	63.2	47.9	15.3	24%	\$157,014,633	\$115,741,322	\$41,273,312	26%
2024	1,499	1,327	172	11%	136.9	123.8	13.1	10%	\$429,861,252	\$398,888,674	\$30,972,578	7%
<b>Total</b>	<b>63,965</b>	<b>42,044</b>	<b>21,921</b>	<b>34%</b>	<b>698.0</b>	<b>543.5</b>	<b>154.4</b>	<b>22%</b>	<b>\$2,745,351,450</b>	<b>\$2,015,342,466</b>	<b>\$730,008,984</b>	<b>27%</b>

#### Distressed Communities

Connecticut's "distressed communities" are particularly affected by the state's high energy prices. On average, Connecticut's neediest households owe \$1,678 more in annual energy bills than they can afford<sup>12</sup>. The Green Bank's financing products and marketing efforts seek to bring lower and more predictable energy costs to homes and businesses in these communities. For more information on DECD Distressed Municipality criteria, click here.<sup>13</sup>

Table 4. Green Bank Commercial and Residential<sup>14</sup> Activity in Distressed and Not Distressed Communities by FY Closed<sup>15</sup>

Fiscal Year	# Project Units <sup>127</sup>				MW				Total Investment			
	Total	Not Distressed	Distressed	% Distressed	Total	Not Distressed	Distressed	% Distressed	Total	Not Distressed	Distressed	% Distressed
2012	288	253	35	12%	1.9	1.7	0.2	10%	\$9,901,511	\$8,904,382	\$997,129	10%
2013	1,114	995	119	11%	23.5	7.9	15.5	66%	\$111,141,216	\$36,003,137	\$75,138,078	68%
2014	2,567	2,178	389	15%	23.4	19.5	3.9	17%	\$106,967,336	\$85,524,081	\$21,443,256	20%
2015	6,748	5,251	1,497	22%	62.2	49.1	13.1	21%	\$320,854,801	\$226,882,259	\$93,972,541	29%
2016	8,309	5,876	2,433	29%	65.8	48.9	16.9	26%	\$320,195,856	\$220,793,274	\$99,402,582	31%
2017	6,141	3,869	2,272	37%	50.0	34.1	15.9	32%	\$180,316,392	\$119,512,851	\$60,803,541	34%
2018	8,392	4,653	3,739	45%	56.4	35.7	20.7	37%	\$221,793,695	\$142,605,809	\$79,187,886	36%
2019	13,589	4,971	4,279	31%	64.3	44.5	19.8	31%	\$319,540,045	\$165,815,713	\$106,043,128	33%
2020	9,190	5,670	2,903	32%	73.9	55.5	18.4	25%	\$285,968,004	\$202,269,557	\$72,785,568	25%
2021	7,042	4,691	1,913	27%	64.4	51.7	12.6	20%	\$269,019,852	\$203,809,569	\$56,432,282	21%
2022	3,325	2,028	641	19%	21.3	16.8	4.5	21%	\$117,212,559	\$79,719,629	\$25,547,189	22%
2023	2,645	1,149	684	26%	63.2	44.6	18.7	29%	\$172,426,240	\$106,492,207	\$50,505,112	29%
2024	2,117	1,216	302	14%	136.9	92.6	44.4	32%	\$445,796,474	\$257,455,355	\$172,863,875	39%
<b>Total</b>	<b>71,467</b>	<b>42,800</b>	<b>21,206</b>	<b>30%</b>	<b>707.2</b>	<b>502.6</b>	<b>204.6</b>	<b>29%</b>	<b>\$2,881,133,981</b>	<b>\$1,855,787,822</b>	<b>\$915,122,167</b>	<b>32%</b>

# Projects in Areas Designated as Environmental Justice Communities

DEEP's Environmental Justice Program, as described here defines Environmental Justice Communities as "Environmental Justice Community" means (A) a United States census block group, as determined in accordance with the most recent United States census, for which thirty per cent or more of the population consists of low income persons who are not institutionalized and have an income below two hundred per cent of the federal poverty level; or (B) a distressed municipality, as defined in subsection (b) of section 32-9p;". Click here<sup>2</sup> for more information on Distressed Communities and defined census block groups.

Table 5. Green Bank Commercial and Residential<sup>14</sup> Activity in Environmental Justice Communities by FY Closed<sup>15</sup>

Fiscal Year	# Project Units <sup>67</sup>				MW				Total Investment			
	Total	Not EJ Community	EJ Community	% EJ Community	Total	Not EJ Community	EJ Community	% EJ Community	Total	Not EJ Community	EJ Community	% EJ Community
2012	288	244	44	15%	1.9	1.7	0.3	14%	\$9,901,511	\$8,557,222	\$1,344,289	14%
2013	1,114	967	147	13%	23.5	7.8	15.7	67%	\$111,141,216	\$35,101,876	\$76,039,340	68%
2014	2,567	2,100	467	18%	23.4	19.0	4.4	19%	\$106,967,336	\$83,422,976	\$23,544,361	22%
2015	6,748	5,042	1,706	25%	62.2	47.6	14.6	24%	\$320,854,801	\$219,696,413	\$101,158,388	32%
2016	8,309	5,499	2,810	34%	65.8	46.4	19.4	29%	\$320,195,856	\$209,967,329	\$110,228,527	34%
2017	6,141	3,207	2,934	48%	50.0	29.6	20.4	41%	\$180,316,392	\$103,914,561	\$76,401,831	42%
2018	8,392	4,265	4,127	49%	56.4	33.2	23.2	41%	\$221,793,695	\$133,146,685	\$88,647,010	40%
2019	13,589	8,870	4,719	35%	64.3	42.2	22.1	34%	\$319,540,045	\$204,615,741	\$114,924,305	36%
2020	9,190	5,568	3,622	39%	73.9	53.2	20.8	28%	\$285,968,004	\$204,389,758	\$81,578,246	29%
2021	7,042	4,828	2,214	31%	64.4	49.2	15.1	23%	\$269,019,852	\$187,854,988	\$81,164,863	30%
2022	3,325	2,533	792	24%	21.3	16.0	5.3	25%	\$117,212,559	\$87,476,575	\$29,735,984	25%
2023	2,645	1,936	709	27%	63.2	44.6	18.7	29%	\$172,426,240	\$121,369,500	\$51,056,740	30%
2024	2,117	1,815	302	14%	136.9	92.6	44.4	32%	\$445,796,474	\$272,932,599	\$172,863,875	39%
<b>Total</b>	<b>71,467</b>	<b>46,874</b>	<b>24,593</b>	<b>34%</b>	<b>707.2</b>	<b>482.9</b>	<b>224.3</b>	<b>32%</b>	<b>\$2,881,133,981</b>	<b>\$1,872,446,221</b>	<b>\$1,008,687,760</b>	<b>35%</b>

Footnotes

1 <https://portal.ct.gov/DEEP/Environmental-Justice/Environmental-Justice>

2 <https://portal.ct.gov/DEEP/Environmental-Justice/Environmental-JusticeCommunities>

3 Residential Owner-occupied properties of 1-4 units and multifamily housing greater than 4 units.

4 Excludes projects in unknown communities.

5 2019 American Community Survey (ACS).

6 The suite of products offered by the Connecticut Green Bank do not currently address rental properties of 1-4 units.

7 Residential Owner-occupied properties of 1-4 units and multifamily housing greater than 4 units.

8 Excludes projects in unknown bands.

9 Residential Owner-occupied properties of 1-4 units and multifamily housing greater than 4 units. This table has been adjusted to include all the Low-Income Solar Lease (ESA) and Multifamily Affordable Housing projects as 80% or Below AMI regardless of which census tract the project falls into as these programs are designed to serve the LMI market.

10 Excludes projects in unknown bands.

11 Distressed Municipalities are defined by the Connecticut Department of Economic and Community Development by a combination of per capita income, poverty rates, unemployment rates, growth, age of buildings, education

12 Mapping Household Energy & Transportation Affordability in Connecticut. \$21,678 is the average energy affordability gap for Households earning less than 100% of the Federal Poverty Level. For households earning less than 200% FPL the average energy affordability gap is \$858

13 Department of Economic and Community Development: [https://portal.ct.gov/DECD/Content/About\\_DECD/Research-and-Publications/02\\_Review\\_Publications/Distressed-Municipalities](https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/02_Review_Publications/Distressed-Municipalities)

14 Residential Owner-occupied properties of 1-4 units and multifamily housing greater than 4 units.

15 Excludes projects in unknown bands.

## About the Connecticut Green Bank

Our mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities. Established in 2011 as a quasi-public agency, the Green Bank uses limited public dollars to attract private capital investment and offers green solutions that help people, businesses and all of Connecticut thrive. Guiding this mission is our vision for "a planet protected by the love of humanity." For more information about the Connecticut Green Bank, please visit [www.ctgreenbank.com](http://www.ctgreenbank.com)

For more information, please visit [www.ctgreenbank.com/strategy-impact/evaluations](http://www.ctgreenbank.com/strategy-impact/evaluations)