

# Faith in Place: A High Impact Lending Program for Faith Communities

Rev. Brian J. Sauder 24 April 2017

Baseline measurements of program impact leading to critical adjustments – that is the arc that leads to this new social innovation: high impact lending for faith communities in Illinois. More than two years ago, I worked with our team to implement measurements of program impact. Not an easy task, but we did it. Now, we are looking at that data asking what critical adjustments we can make, given our limited resources, along with the need to continue to increase impact. Those questions have led to further listening to our program partners, and has resulted in a new approach that plans to make available tens of millions of dollars to our partners to implement energy efficiency measures at their faith communities.

But before I get too carried away telling you about this new plan, I must first tell you more about Faith in Place and that journey of measurement.

Faith in Place empowers Illinois people of all faiths to be leaders in caring for the Earth, providing resources to educate, connect, and advocate for healthier

communities. Our belief is that people of faith should lead in the environmental movement, providing a moral voice and direction for living the obligation we have, to care for our common home. Outreach staff are hired from the communities suffering from environmental injustices, and they are trained to work alongside the faith communities in four program areas – Energy & Climate Change, Sustainable Food & Land Use, Water Preservation, and Advocacy, empowering people of faith to be leaders for environmental justice. Since 1999, Faith in Place has worked with over 1,000 houses of worship throughout Illinois to protect our common land, water, and air.

One such area of innovation at Faith in Place is to partner with our faith communities to reduce reliance on fossil-fuels. Respiratory problems and asthma are exacerbated by air pollution from fossil fuel burning power plants. Illinois leads the nation in the number of most heavily polluting fossil fuel burning plants located in communities of color, where people breathe disproportionately higher levels of contaminated air. Children of color are four times more likely to be admitted to the hospital for an asthma attack and ten times as likely to die from one than white children.

Energy conservation, which reduces our need to generate energy from power plants, is the easiest and most effective way to reduce our carbon footprint and decrease the pollution that exacerbates asthma. Faith in Place works to make sure that people of faith understand how to

reduce their energy use through our educational programs.

In 2015 and 2016, Faith in Place staff educated more than 12,000 individuals about how to take action at home and in their places of worship to reduce energy usage. These efforts resulted in more than 596,000 kilowatt-hours of electricity conserved. Also, thanks to our educational efforts, 55 faith partners completed Level 1 Energy Audits at their buildings.

That's the data I initially shared that began our asking the question: how do we make critical adjustments to our efforts to significantly increase our impact? Given limited resources, how do we turn 596,000 kilowatt-hours into millions of kilowatt-hours reduced? Asking these questions, our team realized that very few of retrofits recommended in the 55 Level 1 Energy Audits were being implemented. It was here that we identified the greatest opportunity to increase our impact.

To explain further: A Level 1 Energy audit is a key first step for laying out a comprehensive roadmap for energy conservation and saving money on utility bills. The audit checks for areas of opportunity in the house of worship to reduce energy usage, including internal energy-use behavior changes, and upgrades to heating and cooling equipment, lighting, and appliances.

Based on the findings of the audit, the house of worship is

presented with energy saving opportunities.

Recommendations include projects on a variety of scales, from simple, inexpensive fixes to more complex renovations. By taking action on as many recommendations as possible faith communities can take a positive step towards reducing their community's carbon footprint. Faith in Place has assisted several houses of worship throughout the years in fully implementing the recommendations from an energy audit, even getting a few of our partners to install solar panels, yet there is even greater potential for us to have greater impact.

Realizing that the 55 houses of worship were not implementing the recommendations in the Level 1 Energy Audits, Faith in Place hosted a listening session with clergy to learn more. Quickly, the conversation turned to the significant barriers of accessing capital for houses of worship in economically challenged communities to finance green projects, even if the savings would greatly outweigh the cost. Furthermore, banks would not give loans to these houses of worship, because the banks view the buildings as negative collateral. Often banks will only loan to houses of worship if members of the clergy include their personal finances as collateral. At Faith in Place, we do not encourage the practice of mixing personal finances with professional institutions, even if it is often a temptation for our clergy partners to do so to advance their missions.

Faith in Place knows that overcoming this barrier will significantly increase our impact. There are millions of kilowatt hours of energy that can still be reduced. As a result, Faith in Place, in partnership with State Treasurer Mike Frerichs and Everence Federal Credit Union, are launching an innovative program that makes low-interest loans available for the following types of projects at houses of worship (and all nonprofits) in Illinois: solar power, geothermal heat pumps, energy efficient roof and window retrofitting, storm water management, and other energy efficient upgrades (HVAC, etc.).

How does it work? The State Treasurer has long managed a linked-deposit program in agriculture and other sectors, which “provides capital to financial institutions for the purpose of providing low-interest loans to qualified borrowers in Illinois.” In this instance, Everence Federal Credit Union, a Mennonite Institution familiar with loaning to faith-based institutions, will be the partnering financial institution, receiving the capital from the linked-deposit. In return, Everence Federal Credit Union will provide low-interest loans to faith communities and nonprofits in Illinois for completing these green projects.

Success of the program, which will be launched this spring, will be measured by 1) the number of dollars loaned and 2) the resulting energy conserved.

Commitment from all parties to ensure that this program works is shared, and as the program is launched, adjustments will be made to ensure success.

Success of the program will also mean the name recognition of Faith in Place will increase. Our goal is to ensure that if you are in a faith community anywhere in Illinois, exploring ways to finance your green renovation project, you will find our program and begin to learn about the moral obligation we all share to reduce our carbon footprints.

Not only can we turn those originally 55 Level 1 Energy Audits at faith communities into stories of success, but we can connect with thousands of other faith communities across Illinois to bring about cleaner air for future generations.

**Rev. Brian J. Sauder is President of Faith in Place**

## References

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