



CAPITAL
FOR CHANGE

ANNUAL REPORT

Delivering Financial Capital &
Impactful Change Throughout Connecticut



2020 - 2021



BOARD OF DIRECTORS

OFFICERS

Dorothy D. Adams

Board Chair

transition partner

Brian Robinson

Board Vice Chair

Senior Vice President, Originations and
Capital Markets

National Affordable Housing Trust

Jeffrey Robinson

Board Treasurer

Retired, TD Bank

Timothy Hodges

Board Secretary

Vice President, Government Relations &
Community Reinvestment

People's United Bank

MEMBERS

Anna Blanding

Owner

The Pilliner Group

Rebecca Borné

Senior Policy Counsel

Center for Responsible Lending

Ginne-Rae Clay

Executive Director

CT Social Equity Council

Robin S. Golden

Strategic Consultant

Benna R. Lehrer

Vice President, Operational Risk

Synchrony Financial

Chris Magalhaes

Resigned May 2021

Andrea Pereira

Consultant

Edward Seibert

Retired, J.P. Morgan

Diane Smith

Chief Real Estate Development Officer

Way Finders

Calvin B. Vinal

President & CEO

Capital for Change, Ex-Officio

TO OUR PARTNERS

Despite the calamitous economic and health impacts of COVID throughout the fiscal year, Capital for Change (C4C) continued to deliver on its mission to provide capital and services that create more equitable and sustainable communities. That mission is more important than ever in the wake of COVID and its racially disparate impacts. C4C responded quickly to COVID's economic impacts by working closely with the borrowers we serve to help preserve the health of their financial condition by offering online payment deferrals, as needed.

While our direct lending activity declined due to market conditions, we pivoted quickly and helped develop and administer several urban programs that delivered millions of dollars in emergency grant funding to small businesses, largely BIPOC and women-owned in low- and moderate-income communities, and then assisted the state providing grants to landlords on behalf of renters to help avoid evictions and foreclosures. At the same time, we revisited these roots and rededicated our focus on racial and equity inclusion (RE&I) by holding retreats for board and staff in 2020 to open the conversation. This year we are diving deeper and reviewing all aspects of the company with a RE&I lens and the goal of improving our impact in this critical area.

Despite COVID, C4Cs commercial lending surpassed \$60 million in Community Development originations over the last five years. Those 124 loans created or rehabilitated more than 2,500 units of affordable housing with 90% being affordable to moderate income ($\leq 80\%$ of area-median income) Connecticut households. Over 60% of the beneficiaries on these projects have been people of color. That said, C4C has always been focused on racial equity, starting with its creation in 1968 to help black families in Connecticut buy homes. That mission expanded to ensure that underserved, lower-income households have access to safe, clean and efficient affordable housing.

Similarly, our consumer energy efficiency financing programs were productive this past year issuing \$25 million in new loans, bringing the five-year total of consumer lending to over \$100 million. Much of this grow was through the Energize CT Heat Loan Program which converts costly oil and electric heating systems to more efficient natural gas heat. These consumer projects, as well as the commercial lending noted above, supported the creation of hundreds of local jobs.

None of this success is possible without your confidence and participation and we look forward to continuing to work with you to keep finding creative ways to help Connecticut families find their way to economic stability.



Calvin B. Vinal

President & CEO

THE C4C COMMITMENT TO RACIAL EQUITY AND INCLUSION

From its roots in the 1960s fighting racism in housing, Capital for Change (C4C) and its Board of Directors have focused on being an industry leader positively impacting racial equity and inclusion. C4C was intentionally designed to address and work to correct systemic racism in community lending and community development. C4C is committed to reaching out to and providing fair and equitable financing opportunities in Black and Brown communities, to combat and correct years of disregard and biased rejection. C4C strives to be the lender of opportunity by ensuring access to capital for underserved communities of color that want to grow businesses and build strong communities.

In furtherance of this commitment, C4C's Board of Directors has established the Racial Equity and Inclusion (RE&I) Committee to guarantee a long-term strategy to ensure racial equity, accountability, and inclusion.

OUR MISSION

“ To provide flexible, creative and responsive financial products and services that support an inclusive and sustainable economy. ”

OUR VISION

“ To be Connecticut's premier community development financial institution, offering capital solutions that will create and sustain lasting, positive change to low-income communities, including broadened social and economic participation, economic growth, and environmental sustainability. ”

OUR PROGRAMS



COMMERCIAL LENDING

Capital for Change (C4C) assists developers creating affordable rental housing, supportive housing, mutual housing, cooperatives, homeownership and energy efficiency improvements. Loans may be for acquisition, bridge funding, construction /rehabilitation financing, or permanent terms. C4C expands economic opportunity by making loans to nonprofit organizations that contribute to the well-being of their communities.



CONSUMER LENDING

C4C helps homeowners conserve energy usage and decrease costs through audits, retrofits, and alternative / clean energy improvements. C4C offers a variety of loan programs to meet consumer needs, covering improvements from the basics like insulation and heating systems to more advanced products including solar panels and geothermal systems.



LOAN SERVICING

C4C provides comprehensive loan servicing for clients across Southern New England that finance affordable housing, small businesses/nonprofits and energy efficiency. C4C's loan servicing clients include housing developers, non-profit/CDFI lenders, state and municipal government entities and utility companies.



IMPACT HIGHLIGHTS

for Fiscal Year 2020-2021

COMMERCIAL LENDING



7
NUMBER OF
LOANS MADE



59
BENEFICIARIES
76% Low Income
5% Moderate Income
19% Other



19
AFFORDABLE HOUSING
UNITS CREATED OR
MAINTAINED



30
NUMBER OF
JOBS CREATED



\$1,869,000
DOLLARS IN
ORIGINATIONS



\$1,321,965
DOLLARS LEVERAGED



38
FAMILIES RECEIVING
HOMEBUYER + FORECLOSURE
COUNSELING

CONSUMER LENDING



2,520
NUMBER OF
LOANS MADE



498
NUMBER OF
JOBS CREATED



1,829
CARS OFF
THE ROAD



\$3,308,567
ANNUAL UTILITY
BILL SAVINGS



\$24,908,452
DOLLARS IN
ORIGINATIONS

LOAN SERVICING



28
ORGANIZATIONS AND GOVERNMENT
AGENCIES FOR WHICH WE PROVIDE
SUPPORT

Over the past five years, Capital for Change loans have permitted more than 2,500 housing units to be created or maintained while helping to create more than 750 jobs and providing homebuyer training and foreclosure counseling to 100s of families.

Serving Connecticut for over 50 years, C4C has invested more than \$450 million in mission-driven capital statewide.



COMMUNITY PROJECTS

School Facility, Affordable Housing, Clean Energy and Job Opportunities

CHERRY STREET PROJECT

Location: Bridgeport, CT

Note: \$3.5 Million Fuel Cell & \$3.3 Million Tutor Housing

Scope of Project: Redevelop 3.5 acre industrial site in Bridgeport's West End

Development(s):

Greater Oaks Charter School: Home to 750 K-12 students

Cherry Street Lofts Apartments: 157 Affordable housing units
(17 units house Greater Oaks tutors)

3.5 Million 440-Kilowatt Fuel Cell: Provides the newly constructed complex with clean and reliable energy



425+



POWER



157



JOBS

"This clean-energy project is the result of work by multiple partners in the private and public sectors, all striving for a common goal – improving the quality of life in our communities. After we explored a number of development models, this has turned out to be better than we anticipated. We're always excited to see our mission carried out in such positive ways."

- Calvin B. Vinal, President and CEO of Capital for Change

BARBOUR GARDENS PROJECT

Location: Hartford, CT

Note: \$2.3 Million Affordable Housing

Scope of Project: Renovate apartment complex in Hartford's North End

Development:

Barbour Gardens Apartments: 74 housing units
(48 units are Section 8 and
26 units are affordable housing)



74+



74



JOBS



"A project such as this is core to our mission – to broaden access to affordable housing for underserved communities. The project is transformational for this neighborhood, with which we're familiar because the site is close to others where we've also invested."

- Carla Weil, Director of Commercial Lending at Capital for Change



FINANCIALS

Consolidated Statement of Financial Position as of March 31, 2021

REVENUE + SUPPORT	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Loan interest activity	\$3,916,433		\$3,916,433
Loan servicing revenue	\$1,714,753		\$1,714,753
Loan fees	\$690,751		\$690,751
Grants and contributions	\$1,092,576	\$3,080,519	\$4,173,095
Investment income	\$118,307		\$118,307
Recovery of loan losses	\$16,522		\$16,522
Tax credit revenue	\$3,859,448		\$3,859,448
Gain on sale of property and equipment	\$388,457		\$388,457
Net assets released from restrictions	\$1,947,815	(\$1,947,815)	
TOTAL REVENUE & SUPPORT	\$13,745,062	\$1,132,704	\$14,877,766
EXPENSES			
Program	\$11,286,590		\$11,286,590
General and administrative	\$1,051,526		\$1,051,526
Fundraising	\$250,227		\$250,227
TOTAL EXPENSES	\$12,588,343		\$12,588,343
ASSETS			
Changes in net assets	\$1,156,719	\$1,132,704	\$2,289,423
Net assets, beginning	\$9,786,266	\$17,838,671	\$27,624,937
NET ASSETS, END	\$10,942,985	\$18,971,375	\$29,914,360



FINANCIALS

Consolidated Statement of Financial Position as of March 31, 2021

CURRENT ASSETS	
Cash	\$2,005,309
Restricted cash	\$9,707,656
Investments	\$1,008,496
Accounts receivable	\$1,519,221
Interest receivable	\$550,083
Loans receivable, current	\$6,532,370
Prepaid expenses	\$93,443
TOTAL CURRENT ASSETS	\$21,416,578
Property and equipment	\$3,648,146

OTHER ASSETS	
Loans receivable, current portion	\$82,173,357
Loan loss reserves	(\$4,648,160)
Tax credit revenue reserves	(\$3,859,448)
Loan receivable - agency assets	\$48,243,380
TOTAL OTHER ASSETS	\$121,909,129
TOTAL ASSETS	\$146,973,853

CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$440,262
Accrued interest payable	\$86,361
Escrows	\$3,510,955
Deferred revenue	\$293,530
Current portion of long-term debt	\$11,410,929
TOTAL CURRENT LIABILITIES	\$15,742,037

LONG-TERM LIABILITIES	
Refundable advances	\$4,521,340
Paycheck protection loan	\$669,130
Deferred revenue	\$2,285,338
Notes payable, net of deferred financing fees	\$40,007,648
Notes payable - EQ2	\$5,100,000
Agency liabilities	\$48,734,000
TOTAL LONG-TERM LIABILITIES	\$101,317,456
TOTAL LIABILITIES	\$117,059,493
NET ASSETS	\$29,914,360
TOTAL LIABILITIES + NET ASSETS	\$146,973,853





OUR PARTNERS *"You Help Make It Possible!"*

SOCIAL IMPACT INVESTORS

Emily Aber & Robert Wechsler
 Dorothy Adams & Josephus de Groot
 Darcy Arcand
 Annie F. Cheng
 Stephanie Fitzgerald and Frank Cochran
 Anne Connors & Keith Lawrence
 Community Foundation Mission Investments, LLC
 Daughters of the Holy Spirit Charitable Trust
 Gideon & Erin Emmanuel
 Frances Giffin
 Robin S. Golden & David N. Berg
 Foundation Source Charitable Foundation
 William C. Graustein
 The William Casper Graustein Memorial Fund
 Ann T. Greene
 Hartford Monthly Meeting of the Religious Society of Friends
 Interfaith Volunteer Caregivers
 Jeniam Foundation
 Robert Johnston

Maria K. Lamberto
 Benna Lehrer & David Dwyer
 Leeway, Inc.
 Mary Link & William Spademan
 Charles Marlow
 Robert W. & Isabel B. McEachern
 Mercy Partnership Fund
 Method Irrevocable Trust
 The Melville Charitable Trust
 Sarah Miller & Lee Cruz
 New England Yearly Meeting of Friends Pooled Funds
 New Haven Monthly Meeting of the Religious Society of Friends
 Frances & John Padilla
 Maria Padilla
 The Pikaart Family Trust
 James A. Pittman, Jr.
 Religious Communities Impact Fund (RCIF)
 Jeffrey Robinson
 Seton Enablement Fund

Sisters of Charity of St. Elizabeth
 Sisters of St. Francis of Philadelphia
 Marcus Stern, (In Memory of Ruth Stern)
 Lee & Byron Stookey
 Clients of the Sustainability Group
 Julie Tamler Revocable Trust
 Clients of Trillium Asset Management Corporation
 Dr. Katie Trotta
 Susan & C. Michael Tucker
 Ursuline Sisters of Tildonk
 Calvin B. Vinal
 Nancy & Dr. Jerry Weil
 Sally Willoughby
 Yale Hunger and Homelessness Action Project

GOVERNMENT & NONPROFIT GRANTORS

Connecticut Housing Finance Authority
 The Opportunity Finance Network

CORPORATE AND FOUNDATION DONORS

Avangrid Inc.
 Avangrid Foundation
 J.W. Curran Foundation
 ERJ Fund
 Ion Bank Foundation
 KeyBank, N.A.
 M&T Charitable Foundation
 People's United Community Foundation
 Santander Bank
 Synchrony Bank
 TD Bank Charitable Foundation
 Webster Bank
 Wells Fargo Housing Foundation

INDIVIDUAL DONORS

Dorothy Adams & Josephus de Groot
 Darcy Arcand
 Francine Bellefleur
 Miriam Berkman & Brett Hill
 Rebecca Borne
 Anne & Guido Calabresi
 Dr. James Comer
 Brianna Gavigan
 Robin S. Golden
 Nicole Licata Grant
 Eva Heintzelman
 Donald Kirshbaum
 Beth Klingher & Reid Lifset
 Matt Liebel
 Sara Liebel
 Christopher Liebel
 Rebecca Liebel
 Lori Lindfors & Bart Sayet
 Dr. James Paley
 Brian Robinson
 Jeffrey Robinson
 Diane Smith
 C Michael Tucker
 Carla Weil



Capital for Change
 10 Alexander Drive, Wallingford, CT 06492
 Phone: 860-233-5165 Web: www.capitalforchange.org

thanks for your support!

