

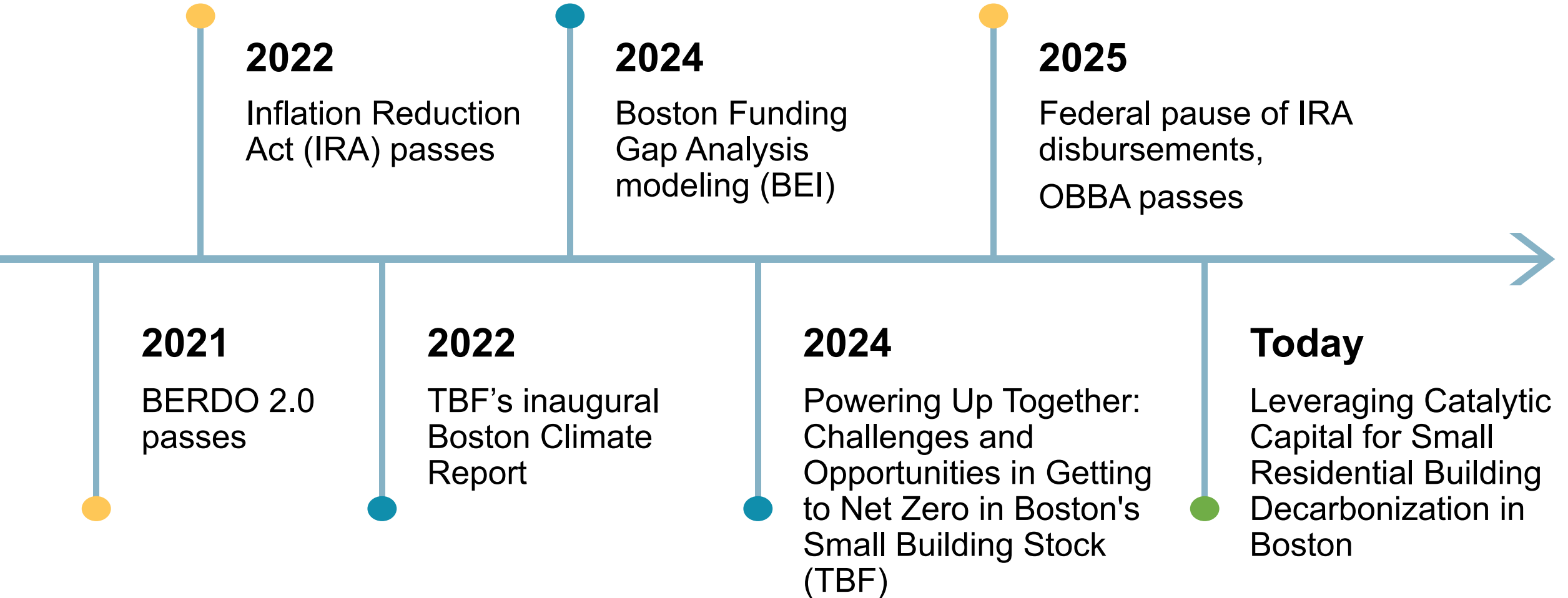


CITIES
DRIVING
CHANGE

Catalytic Capital for Boston Residential Retrofits

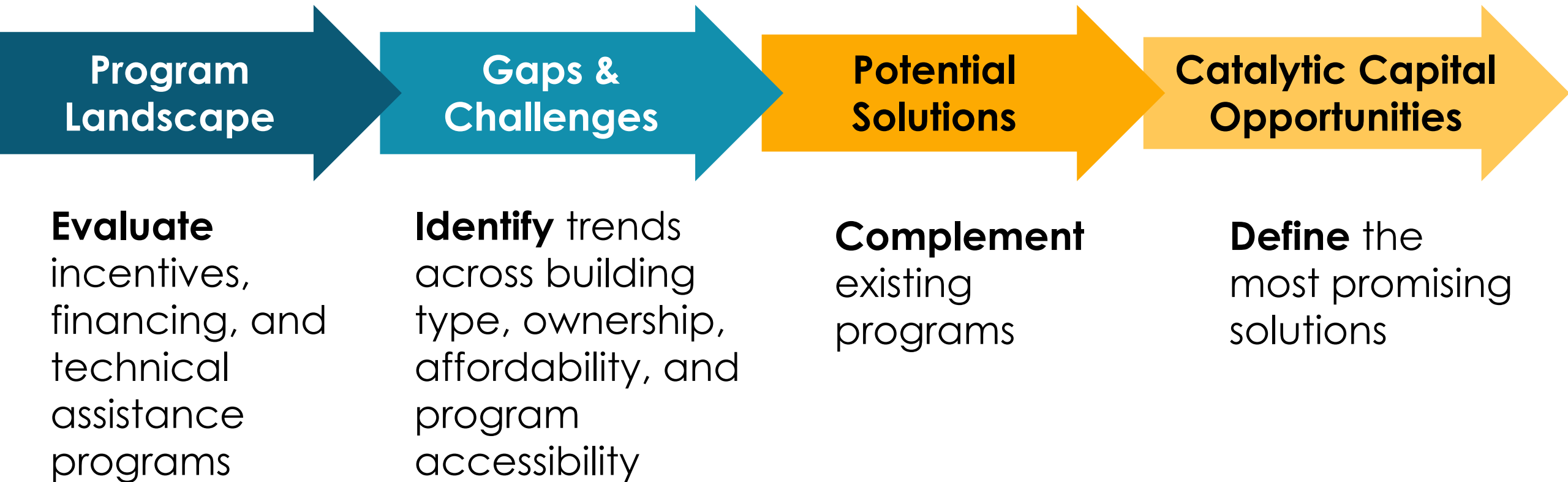
September 29, 2026

Project Context



Project Approach

Assessing Boston's small-medium residential buildings for **catalytic capital investment opportunities to support LMI households.**



Advisory Committee

- **Hessann Farooqi**, Boston Climate Action Network
- **Maggie Super Church**, Massachusetts Community Climate Bank at MassHousing
- **Oliver Sellers-Garcia**, City of Boston Environment Department
- **Brooks Winner**, City of Boston Environment Department
- **Soni Gupta**, The Boston Foundation
- **Joel Wool**, Boston Housing Authority
- **Daniel Block**, Prime Coalition
- **Sarah Kearney**, Prime Coalition



Shifting Public Investment Landscape

New Challenges

- Reduced and uncertain federal funding
- Additional pressure on Mass Save
- Greater reliance on philanthropy



Shifting Public Investment Landscape

Boston steps up

- **Launching Boston Energy Saver Program**
- **Deepening community partnerships**
- **Adding more resident support**
- **Expanding decarbonization**



Key Barriers to Equitable Retrofits Remain

High upfront costs

Health and safety needs

Financing limitations

Split incentives

Project complexity

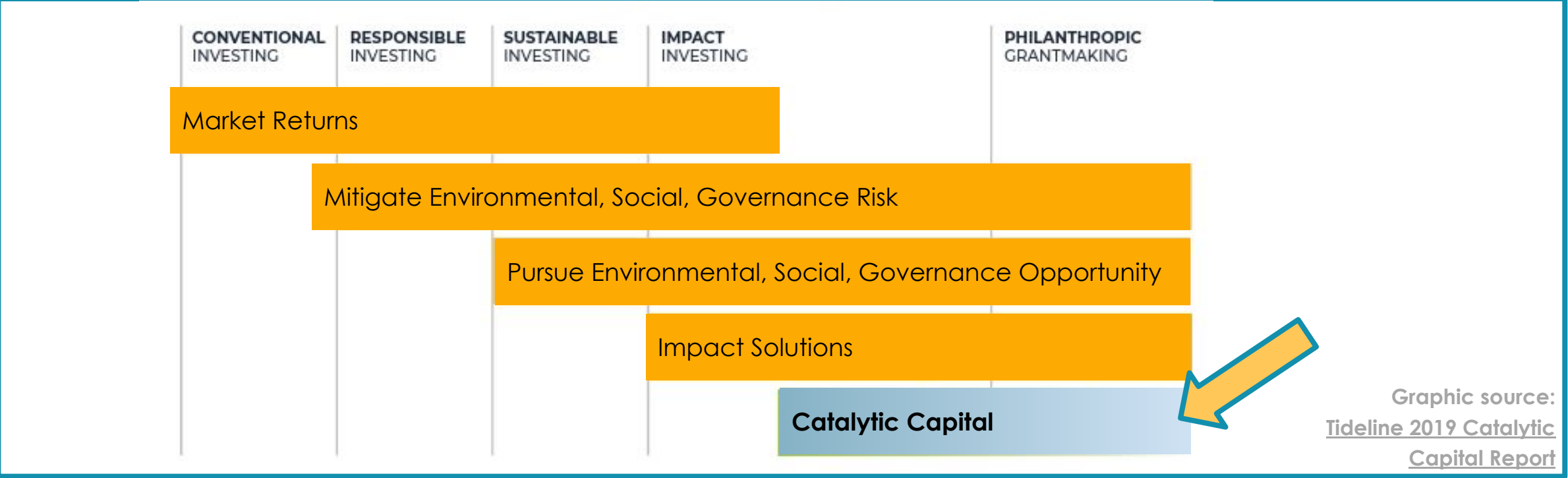


**Additional tools
are needed to
reach
harder-to-serve
segments and
unlock investment
at scale.**

Defining Catalytic Capital

What is it? Flexible, risk-tolerant investment to de-risk or validate climate solutions and unlock larger-scale capital.

Who provides it? Mission-driven entities: philanthropies, high-net-worth individuals, family offices, and anchor institutions.



Where is catalytic capital successful?

Projects where investment capital can **lower financing barriers.**

Investments that enable **outcomes** that otherwise would not be achieved.

Investments that are repayable with **modest return** and **patient investment terms.**

Investments where there is measurable **positive impact.**



Catalytic capital can:

Absorb risk through credit enhancements, loan loss reserves, subordinated capital.

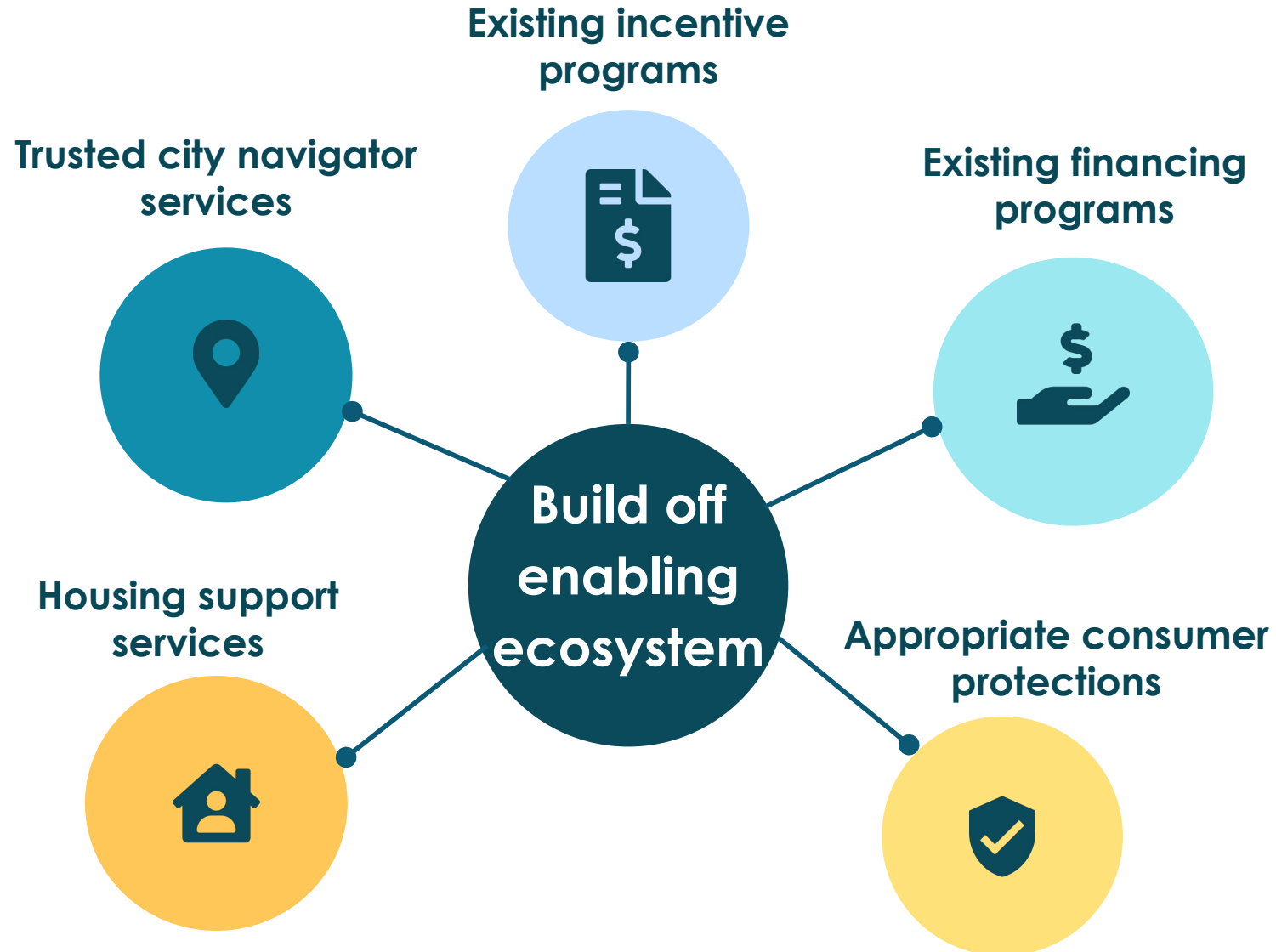
Unlock public, private, and mission-driven investment.



Deliver patient, flexible and lower-cost capital with longer time horizons.

Enable equitable financing for LMI households and small property owners.

Enabling Ecosystem



Evaluation of Solutions | Framework

LEVEL OF IMPACT

- Equitable Impact to LMI Communities
- Financing Additionality
- Scalability

IMPLEMENTATION READINESS

- Leverages Existing Programs
- Implementation Feasibility
- Participant Risk

FINANCIAL VIABILITY

- Capital Efficiency
- Capital Mobilization

Recommended Solutions

Solution 1

Expand existing Energy Saver Home Loan Program through the Massachusetts Community Climate Bank (MCCB).



Solution 2

Create a fund to enable mission-driven affordable housing developers to invest in deeper clean energy retrofits.



Recommended Solution 1 | Context

MCCB Energy Saver Home Loan Program finances **energy efficiency and electrification upgrades** and addresses barriers to **equitable decarbonization**.



- Free concierge support to help homeowners
- Access for borrowers underserved by traditional lending
- Financing retrofits and health and safety upgrades
- Leveraging low-cost state-backed capital and MassHousing financing infrastructure
- Affordable loan terms

Recommended Solution 1 | Recommendation

Deploy the loan program in Boston, targeting the 2–4 unit segment (triple-deckers).

Catalytic capital could:

- Increase borrowing for larger retrofits
- Provide grant capital to support the coordination between the MCCB, City departments, and existing programs, like Boston Energy Saver and Boston Home Center



Recommended Solution 2 | Context

Support mission-driven affordable developers that target long-term affordability **to decarbonize their portfolios.**



Working with these developers can:

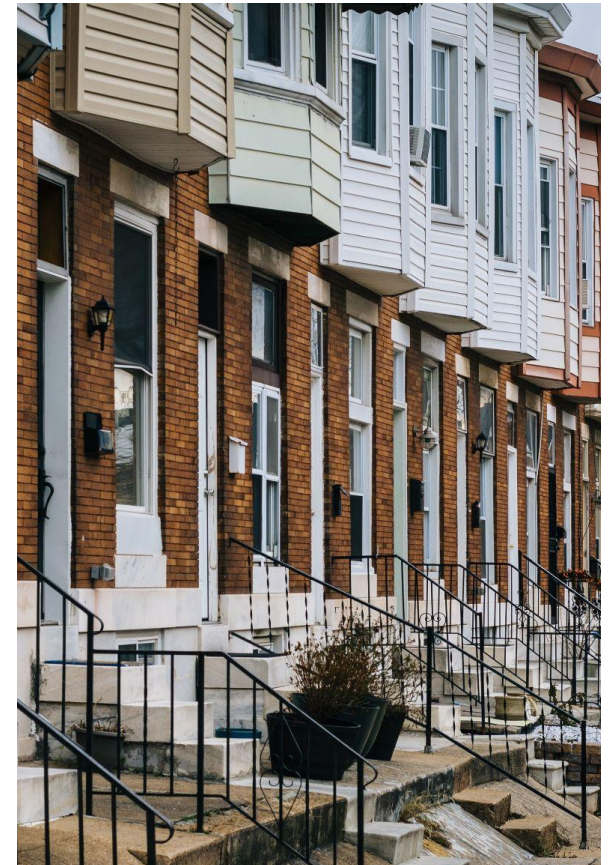
- Address a critical financing gap
- Unlock upgrades at acquisition and rehabilitation
- Generate lasting community benefit

Recommended Solution 2 | Recommendation

Create a fund for deeper energy and decarbonization retrofits in mission-driven affordable housing.

Catalytic capital could provide:

- Flexible capital at critical points: **acquisition, rehabilitation, and recapitalization**
- Complementary grant capital
 - Coordination among MCCCB, the Boston Acquisition Fund, Boston housing agencies, and mission-driven owners
 - CDFI and mission-driven lender participation



Future Opportunities | Research & Advocacy

Key emerging models show **strong potential to advance equitable building decarbonization** in Boston.

Inclusive Utility Investment (IUI)

Neighborhood-scale deployment

Window Heat Pumps



Thank You



**The Boston
Foundation**

FIREFLY
ENERGY CONSULTING



www.BEIncities.org