Indiana Energy Independence Fund & The City of Bloomington: Turning Community Awareness Into $60M of Clean Energy Projects

Building a Clean Energy Investment Pipeline in Bloomington, Indiana

AT A GLANCE

Investment Priorities

Distributed & Commercial-Scale Solar, Building Energy Efficiency & Heat Pumps, Battery Storage, EV Charging & Fleet Electrification

Pipeline Value

~$60.4M across 30 projects, exceeding the $50M target; anchored by a $19.4M solar project at Novo Nordisk

Key Partners

Indiana Energy Independence Fund (IEIF) (Indiana's nonprofit green bank), City of Bloomington, Donovan Energy, Electrify Indiana, CDFI Friendly Bloomington, IFF (a community development financial institution), and Clean Energy Credit Union

Community Impacts

- ~53,585 MTCO2e/year anticipated across the pipeline
- ~36 MW of generation capacity and more than 2M sq. ft. of buildings in scope
- 11 building owners received free Level 2 ASHRAE audits / solar designs
- 7,750+ residential communications (over 50% in LIDAC tracts) and 67 volunteers trained

Strategic Role

Green Bank / Market Builder

The Path Forward

IEIF [AC1] and the City of Bloomington are working to secure low-cost bridge and gap financing that carries projects through Investment Tax Credit timing and reimbursement delays — starting with the $19.4M Novo Nordisk solar project, where Climatize Earth has expressed early interest — to move the pipeline from feasibility to close.

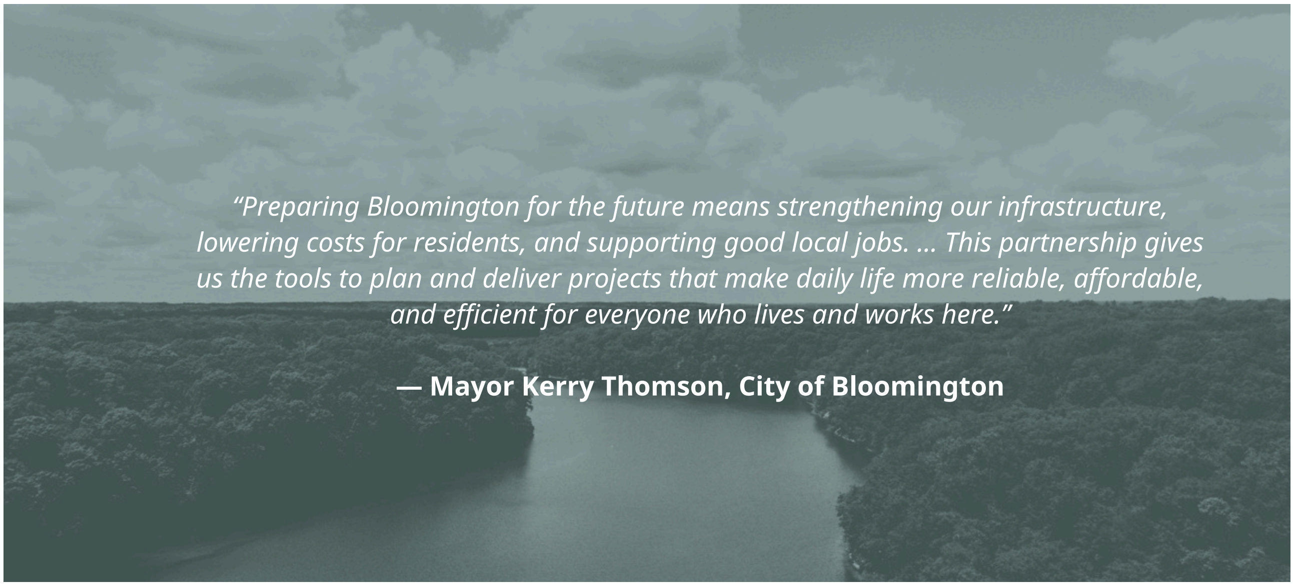
THE BIG PICTURE

By most measures, Bloomington was already a clean energy leader. The City has invested more than $19 million in climate projects since 2017 — 38 municipal solar arrays totaling 4,470 kW, LED retrofits, and 22 public EV chargers — and runs a suite of solar and efficiency grant programs. Yet a stubborn gap kept identified projects from getting built: grants, rebates, and tax credits don't cover the upfront cost or the timing that move a project to completion. A 2025 state law (Senate Bill 1) tightening local taxing and bonding authority only sharpened the need for private capital.

The Challenge: Grants, rebates, and tax credits alone don't move projects to completion — upfront costs, Investment Tax Credit timing, and contractor reimbursement lags (notably under the DOE-funded Indiana Energy Savers Program) stall them — while Indiana's Senate Bill 1 squeezes the public dollars cities can bring.

The Solution: A market-building program that builds demand and assembles a finance-ready pipeline, paired with IEIF's below-market bridge and gap financing to coordinate capital stacks and carry projects across the timing gaps that conventional lending and incentives leave open.

Through the Municipal Investment Fund (MIF), the Indiana Energy Independence Fund (IEIF) — Indiana's nonprofit green bank — partnered with the City of Bloomington to close that gap with a market-building program called Bloomington Energy Works. With partners Donovan Energy and Electrify Indiana, the coalition offered free energy audits and solar designs to building owners and ran a community-wide education campaign, all aimed at turning interest into a real, financeable pipeline. It worked. The program aggregated a pipeline of roughly $60.4 million across 30 projects — beating its $50 million target — anchored by a $19.4 million rooftop solar project at Novo Nordisk that has since secured corporate approval. Just as important, it paired that demand with IEIF, a financing partner built for the gap, who was ready [AC2] to bridge tax-credit timing and reimbursement delays that stall otherwise viable projects.



LAYING THE FOUNDATION: A MARKET-BUILDING PROGRAM AND A GREEN BANK

Bloomington Energy Works set out to do two things at once: build genuine demand for clean energy across the community, and stand up the financing capacity to meet it.

Coalition and Partnership

IEIF served as both the grant awardee and the City's fiscal sponsor — a structure the City credits with substantially increasing its capacity to deliver. The City of Bloomington co-led, bringing a deep climate track record and grant programs. Donovan Energy provided Level 2 ASHRAE energy audits, solar designs, and project-level financial analysis; Electrify Indiana ran the community education and canvassing campaign. CDFI Friendly Bloomington, IFF, the Community Foundation of Monroe County, Clean Energy Credit Union, and local banks round out a financing ecosystem ready to scale.

Market Building: Bloomington Energy Works

Launched in December 2025 with a dedicated brand, website, mayoral video, and kickoff webinar, the program reached the community through utility-bill inserts, a billboard, targeted ads, mailers, and direct outreach. On the residential side, Electrify Indiana knocked on 7,004 doors (51.4%% in LIDAC tracts), trained 67 volunteers, and ran 19 presentations and 11 “show-and-tell” open houses — 7,750+ communications in all. On the commercial side, Donovan Energy delivered free Level 2 ASHRAE audits and solar designs with financial analysis to 11 building owners (about two-thirds in LIDACs), each leaving with a costed, ROI-tested list of qualified projects.

Green Financial Products

As Indiana's only green bank, IEIF brings the missing financing layer. It runs three statewide below-market-rate programs — a commercial program and two residential programs. Its key value here is bridge and gap financing: covering the value of the Investment Tax Credit during construction and IRS processing and bridging the weeks-long reimbursement lag contractors face under the DOE-funded Indiana Energy Savers Program — while helping borrowers assemble workable capital stacks. These products complement the City's own tools, including Solar, Energy Efficiency, and Lighting (SEEL) [AC3] grants, the Bloomington Green Home Improvement Program with Clean Energy Credit Union rate buydowns, and a forthcoming income-qualified solar program.

Building the Enabling Environment

Bloomington's policy base is supportive: a Unified Development Ordinance offering sustainability bonuses, a 2009 Green Building Program committing municipal facilities to LEED, a SolSmart Gold designation (2022), and a public “Solar in Bloomington” resource. The coalition flags state enablement of C-PACE as a meaningful next step even as Senate Bill 1 (2025) constrains the local revenue tools cities have relied on.

ORIGINATING A $60M PROJECT PIPELINE

Bloomington Energy Works aggregated roughly $60.4 million across 30 projects — about 53,585 MTCO2e/year and ~36 MW of generation capacity in total, spanning more than 2 million square feet of buildings. Most sit at the pre-development and feasibility stage. The projects cluster into four groups (groupings shown here for readability).

Anchor Project: Novo Nordisk Rooftop Solar | $19.4M

An ~8.79 MW rooftop solar system at the Novo Nordisk facility on S. Patterson Drive — the single largest project in the pipeline and its proof point, with an anticipated ~25,600 MTCO2e/year in reductions. Novo Nordisk's corporate office has approved the project for implementation.

- **Capital Stack:** ~$19.4M; federal Investment Tax Credit; private and impact capital (Climatize Earth has expressed interest); IEIF positioned to bridge the ITC value during construction.
- **Revenue / Benefit:** Large on-site generation cost savings and the pipeline's largest single emissions reduction.
- **Investment Readiness:** *Pre-Development & Feasibility* — corporate approval secured; financing is the gating step.

Industrial & Institutional Solar | ~$39M combined

Large rooftop solar across major Bloomington employers and institutions — Simtra BioPharma Solutions (~$10.4M), Simon Property Group / College Mall (~$9.2M), Cook Medical (~$5.8M), Phoenix Closures (~$5.5M), IU Health Bloomington Hospital (~$4.875M), Tasus Corp. (~$2.85M), and the Bloomington Convention Center (~$850K). Together, this cluster drives the bulk of the pipeline's emissions reductions.

- **Capital Stack:** Federal ITC plus private capital; IEIF bridge and gap financing; CDFI participation to assemble capital stacks.
- **Revenue / Benefit:** On-site generation savings for large energy users; significant emissions reductions.
- **Investment Readiness:** *Pre-Development & Feasibility* — audits and solar designs complete for participants; financing and final design to follow.

Municipal & Public Facilities | ~$0.7M combined

City-owned solar and heat-pump projects — Fire Stations #1, #3, and #4, the Sanitation Building, the Rosehill Cemetery office, the Allison Jukebox community building, and the Fire Department training facility — most in LIDAC tracts, building on the City's 38 existing solar installations.

- **Capital Stack:** City climate budget; Duke Energy Smart Saver rebates; IRS Direct Pay for tax-exempt entities; IEIF financing.
- **Revenue / Benefit:** Municipal energy cost savings and resilience at public-serving facilities.
- **Investment Readiness:** *Pre-Development & Feasibilit*y — scoped through the City's municipal building assessments.

Commercial, Nonprofit & Residential | ~$2.7M combined

Smaller projects surfaced through the program — including a $1.775M efficiency retrofit (high-efficiency boilers and LED lighting) at Monroe County Community School Corporation's Bloomington High School South, rooftop solar at the POSH Hotel, the Bloomington Housing Authority's Kohr Building, and Wonderlab Museum, plus several audits still in progress — alongside roughly $513K of aggregated residential solar, battery, and heat-pump HVAC projects.

- **Capital Stack:** City SEEL grants and Bloomington Green Home Improvement Program rebates with Clean Energy Credit Union rate buydowns; IEIF residential loan programs; federal incentives.
- **Revenue / Benefit:** Lower operating costs for nonprofits, schools, small businesses, and homeowners.
- **Investment Readiness:** Finance-Ready to Early Scoping — residential projects can move now through City programs; several commercial audits remain in progress.

IMPACT & NEXT STEPS

Bloomington Energy Works proved the demand was there and built a finance-ready $60M pipeline. The remaining task is capital — and IEIF is built for exactly the gap that stalls these projects. The program has already begun converting outreach into uptake, with City grant and rebate programs seeing new applicants as a direct result.

The Strategic Gap: Grants, rebates, and tax credits don't cover upfront costs or bridge the timing of ITC recovery and contractor reimbursement (notably under the Indiana Energy Savers Program), and Senate Bill 1 tightens public dollars. Without low-cost bridge and gap capital, viable projects stall.

The Last Mile: The $19.4M Novo Nordisk solar project — corporate approval already secured — is the anchor and proof point. Closing its financing would build confidence across the rest of the pipeline; Climatize Earth has expressed early interest.

The Multiplier Effect: The program already turned outreach into action — roughly $255K in City SEEL grant awards since launch, plus Green Home Improvement rebates flowing — and IEIF's below-market financing alongside CDFI participation can crowd in private capital and assemble workable capital stacks.

Urgency: Federal ITC timing and the DOE-funded Indiana Energy Savers reimbursement window make bridge financing time-sensitive now, while Senate Bill 1's limits on local revenue — with City sustainability funding projected to shrink by 2029 — add pressure to mobilize private capital before public budgets tighten.

A Replicable Model: Bloomington Energy Works is a transferable template — a green bank paired with a city, a technical-assistance firm, and a community-education partner — and its lessons are already being shared through the Project 46: Southern Indiana Regional Climate Alliance with neighboring Nashville and Columbus.

This case study was funded through the Municipal Investment Fund (MIF) to support local governments and their partner not-for-profit organizations in developing public-private partnership plans that accelerate the deployment of capital to energy and infrastructure projects.