Clean Energy Jobs and Justice Fund & The City of Carbondale: Turning Illinois' Solar Boom into Local Ownership and Wealth

Building a Clean Energy Investment Pipeline in Carbondale, Illinois

AT A GLANCE

Investment Priorities

Community Solar + Storage, Faith-Based Energy Efficiency & Rooftop Solar, Government Building Retrofits, Clean Energy Workforce Development

Pipeline Value

~$7.8M in financing sought across four finance-ready projects, anchored by a $6.0M community solar + storage project

Key Partners

Clean Energy Jobs and Justice Fund (CEJJF), City of Carbondale, Carbondale Branch NAACP / CEJA Navigator, Faith in Place, Ameren Illinois, Habitat for Humanity, Carbondale Chamber of Commerce

Community Impacts

- ~1,770 MTCO2e/year across the pipeline
- 575 households served by community solar
- 100% of the pipeline in LIDAC census tracts
- Around 100 jobs supported
- $2.3M CEJA Workforce Hub training local HVAC, solar, and EV cohorts

The Path Forward

The City of Carbondale and CEJJF aim to advance predevelopment across all four projects — site readiness, energy audits, design and engineering, and project labor and community benefits agreements — while continuing to collaborate with Faith in Place on faith-based efficiency and rooftop solar. Pending its DCEO Community Solar Energy Sovereignty Grant decision, the City aims to stack capital for larger-scale community solar + storage.

THE BIG PICTURE

Across southern Illinois, private developers are building solar farms — generating power, earning returns, and advancing the state's climate goals. In Carbondale, the question the City kept asking was simpler: who benefits? A recovering energy community once dependent on coal and heavy industry, Carbondale carries a 40.5% poverty rate and a 73.4% rental rate, and its 21,741 residents have held little ownership in the clean energy economy growing around them.

The Challenge: Carbondale's residents have lacked ownership and access to capital in the clean energy economy. High renter energy burdens compound the gap.

The Solution: A whole-community P3 that pairs CEJJF's green-bank financing and Illinois' deep incentive stack (Illinois Shines, ILSFA) with community-owned community solar, faith-based anchor projects, and a local contractor and workforce pipeline — structured so the benefits stay in Carbondale.

Through the Municipal Investment Fund (MIF), the Clean Energy Jobs and Justice Fund (CEJJF) partnered with the City of Carbondale to change that answer. Using a deliberate "whole community" approach, the coalition built a public-private partnership plan designed so that clean energy deployment delivers ownership and lasting prosperity locally, with a minimum of 50% of projects in LIDAC census tracts. To center residents, CEJJF convened an Advisory Committee that met weekly and posted materials to a public website.

The work is already visible. Carbondale secured an Illinois Solar for All (ILSFA) Environmental Justice Community designation — a market-building win that prioritizes the community for state solar awards — and the coalition has moved from planning into public activation through a Clean Energy Town Hall, contractor onboarding events, and a CEJA Workforce Hub now training local cohorts.

LAYING THE FOUNDATION: COALITION, POLICY, AND COMMUNITY TRUST

Carbondale's foundation work centers on trust and local capacity — a coalition rooted in the community, a supportive policy stack, and financing structures designed to keep ownership local.

Coalition and Partnership

CEJJF, a nonprofit green bank, leads on financing and stakeholder engagement, with the City of Carbondale contributing land, convening power, and policy authority. The coalition runs deep and local: the Carbondale Branch NAACP (home to the CEJA Navigator and Workforce Hub), Faith [RS1] in Place (advancing faith-based efficiency and solar), the SIU Contractor Accelerator, utilities Ameren Illinois and Egyptian Electric Cooperative, Habitat for Humanity, the Carbondale Chamber of Commerce, and a roster of local solar and HVAC contractors. CEJJF also coordinates with the Illinois Finance Authority / Climate Bank to reach capital markets.

Building the Enabling Environment

Carbondale's permitting and zoning are already clear and solar-supportive — only ground-mount solar carries special requirements — so the coalition's policy focus is education and a few targeted additions:

- Securing the ILSFA Environmental Justice Community designation, which prioritizes Carbondale for state-funded and -administered solar (a foundational market-building achievement).
- Leveraging Illinois' policy stack — Illinois Shines, and ILSFA — plus the Clean and Reliable Grid Affordability Act (signed January 2026), whose “Storage for All” incentives go into effect in late 2026.
- Proposing a local solar benchmarking ordinance for tracking, and bundling efficiency awareness into existing curb-appeal and down-payment-assistance programs — while deliberately avoiding new fees or taxes, per community consensus.

Green Financial Products

The plan stacks incentives aggressively: for faith-based solar, combining ~30% federal credits, 20–30% Illinois/ILSFA incentives (which roughly double SREC value and pay out in year one), and 5–10% Ameren smart-inverter rebates can approach 100% of project cost. CEJJF financing and the IFA/Climate Bank anchor the capital, complemented by the FairPath contractor financing product (via the Solar Energy Loan Fund), the Elevate Contractor Line of Credit, and C-PACE. DCEO predevelopment grants (the Community Solar Energy Sovereignty Grant, for which the City has applied and is in merit review) are paired with a CEJJF bridge loan to cover the wait for state funds. Revenue flows from SRECs, community subscriptions, and demand response.

Workforce & Community Engagement

Carbondale is home to a CEJA Workforce Hub — a $2.3M, NAACP-housed program training cohorts in HVAC, solar, and EV skills while the Illinois Works Apprenticeship Initiative sets a 10% apprenticeship goal on larger projects.. The coalition r extended its reach with a contractor breakfast and FairPath (residential home efficiency loan program with alternative underwriting) onboarding, a clean energy town hall open to the public and covered by local media, and a Chamber-organized trade summer camp for high schoolers. Given the community's history with predatory developers, trusted local messengers — faith institutions, the NAACP, and neighborhood partners — are central to building the demand side.

ORIGINATING A COMMUNITY-OWNED PROJECT PIPELINE

A feasibility analysis narrowed Carbondale's options to the four most viable, finance-ready projects — all located in LIDAC census tracts and prioritizing neighborhoods with high renter energy burdens. Predevelopment is underway across all four; the building projects target closing in 2026–2027, with community solar development estimated for late 2027 to early 2028.

Community Solar + Storage | $6.0M

A 2.8 MWdc community solar-plus-storage project on a ~20-acre parcel at Old Highway 13 and Bigler Road (sited to avoid floodplains), serving roughly 575 households through subscriptions that put ownership and savings directly in residents' hands. Grid hosting capacity is 0.9 MW, with flexible interconnection enabling up to 3 MW. Anticipated ~1,460 MTCO2e/year.

- **Capital Stack:** ~$6.0M total; ILSFA, the DCEO Community Solar Energy Sovereignty Grant (in merit review), and CGC financing via a financial intermediary investment vehicle, with a CEJJF bridge loan covering the wait for state funds. Target return 7–11%.
- **Revenue / Benefit:** Community subscriptions; solar renewable energy certificates (SRECs); demand response from the storage component; utility payment for generation.
- **Investment Readiness:** *Predevelopment Underway* — site identification and assessment complete and permitting confirmed streamlined; project labor and community benefits agreement engagement begins summer 2026; development estimated late 2027–early 2028.

Faith-Based Energy Efficiency Upgrades | ~$180K

Heat pumps, lighting, weatherization, and electrification at four houses of worship — First Christian, First Presbyterian, Unitarian Fellowship, and Epiphany Lutheran — that anchor community services such as weekly meals. An incentive stack of roughly 50% Ameren plus 15% federal drives the economics.

- **Capital Stack:** ~$180K project cost; Faith in Place, Ameren Illinois incentives, C-PACE, and CGC. Target return 4–7%.
- **Revenue / Benefit:** Lower operating costs for community-serving institutions, freeing resources for local services.
- **Investment Readiness:** *Predevelopment Underway* — energy audits of the identified houses of worship are the immediate next step.

Faith-Based Rooftop Solar (Small DG) | ~$96,873 per system

100 kWdc rooftop solar on four additional houses of worship already advancing on efficiency — New Zion Missionary Baptist, Hopewell Missionary Baptist, Good Shepherd UCC, and First United Methodist — letting each budget electricity costs for at least 25 years. Anticipated ~290 MTCO2e/year.

- **Capital Stack:** ~$96,873 net per system under the ~100% incentive-stack model; ILSFA, Ameren Illinois, and CGC. Target return 6–10%.
- **Revenue / Benefit:** SRECs; long-term electricity-cost certainty for faith institutions.
- **Investment Readiness:** *Predevelopment Underway* — relationship-building and site assessment complete; design and engineering support runs into Q4 2026–Q1 2027.

Government Building Energy Efficiency Retrofits | ~$220K

Lighting, HVAC, and weatherization at Carbondale's City Hall / Civic Center and Public Safety Department, building on efficiency measures the City completed at City Hall in 2019. Anticipated ~20 MTCO2e/year.

- **Capital Stack:** ~$220K project cost; Ameren Illinois public-sector incentives plus federal incentives, C-PACE, and CGC senior debt. Target return 4–6%.
- **Revenue / Benefit:** Municipal energy cost savings that return dollars to the community budget.
- **Investment Readiness:** *Predevelopment Underway* — 2019 and spring 2026 audits complete and Ameren incentives confirmed (March 2026); next step is scoping lighting and weatherization needs to capture strong 2026 incentives.

IMPACT & NEXT STEPS

Carbondale's plan answers a single question — who benefits? — by keeping ownership, jobs, and savings in the community. A P3 Oversight Committee will track generation, GHG and air-quality reductions, bill savings, and quality-of-life metrics using a planned solar benchmarking ordinance alongside ICLEI's ClearPath tool and EPA's AVERT.

The Strategic Gap: Residents have lacked ownership and access to capital, and a history of predatory development bred distrust. Reaching close requires predevelopment — site readiness, energy audits, design and engineering, and project labor and community benefits agreements — plus disciplined incentive stacking.

The Last Mile: Community solar is the anchor. Securing the DCEO Community Solar Energy Sovereignty Grant (in merit review), CGC financing, and the CEJJF bridge loan would carry it to development in late 2027–early 2028.

The Multiplier Effect: Illinois' incentive stack can cover up to ~100% of faith-based solar costs, while CGC capital, C-PACE, and the FairPath contractor product crowd in private lending and unlock supply-side capacity.

Urgency: The policy window is open now — Carbondale's new ILSFA EJ designation prioritizes state solar awards, CRGA's Storage for All procurement begins in 2026, Ameren's 2026 public-sector efficiency incentives are strong, and the DCEO grant is in merit review. Acting now captures time-limited incentives.

A Replicable Model: Carbondale offers a community-ownership template for other recovering energy towns — a green bank paired with a deep, trust-first local coalition, faith-based anchor sites, and a CEJA workforce hub that keeps the economic benefits at home.

This case study was developed through the Municipal Investment Fund, a partnership between ICLEI USA and CGC to support local governments, Tribes, and their partner not-for-profit organizations in developing public-private partnership plans that accelerate the deployment of capital to clean energy projects.