

Infrastructure For Opportunity

PROJECT INVESTMENT PROFILE 2019-21





The Human Needs Project (HNP) is pioneering a model for providing integrated services in slums that positions individuals to realize their full potential and chart a path out of poverty. We work with communities to build and run environmentally and financially sustainable “town centers.” Each center is a one-stop-shop combining physical and social infrastructure to address poverty from three angles: 1. By creating access to dignified, dependable basic services, training, and employment opportunities. 2. By developing and deploying applicable off-grid technologies and providing ongoing technical support that builds local capacity to maintain them. 3. By leveraging the center as an organizing focal point that houses empowerment and arts programming and hosts peace-building events, engaging the broader community as stakeholders.



HNP's social enterprise model is markedly different from the status quo for aid-based service provision in slums, which is plagued by inefficiency and undermines local agency.

At our pilot town center in Kibera, Kenya, well over 150,000 individuals have paid affordable fees to use state-of-the-art facilities and enroll in

empowerment programs. Since 2015, community members have managed all facilities of the Kibera Town Center (KTC) and conducted over one million customer transactions, demonstrating the viability of our innovative model.

This year, KTC is serving an average of over 800 people every day while recovering 35% of the center's direct operating costs.

Our goal is to raise \$2.5 million in philanthropic funding between 2019 and 2021. During this time, we will generate over \$400,000 in earned income from KTC, reaching 63% direct cost recovery. With new support and the continued optimization of our infrastructure, HNP will more cost-efficiently impact 1,000 individuals every day and measure the outcomes stemming from our work to date.

The Challenge

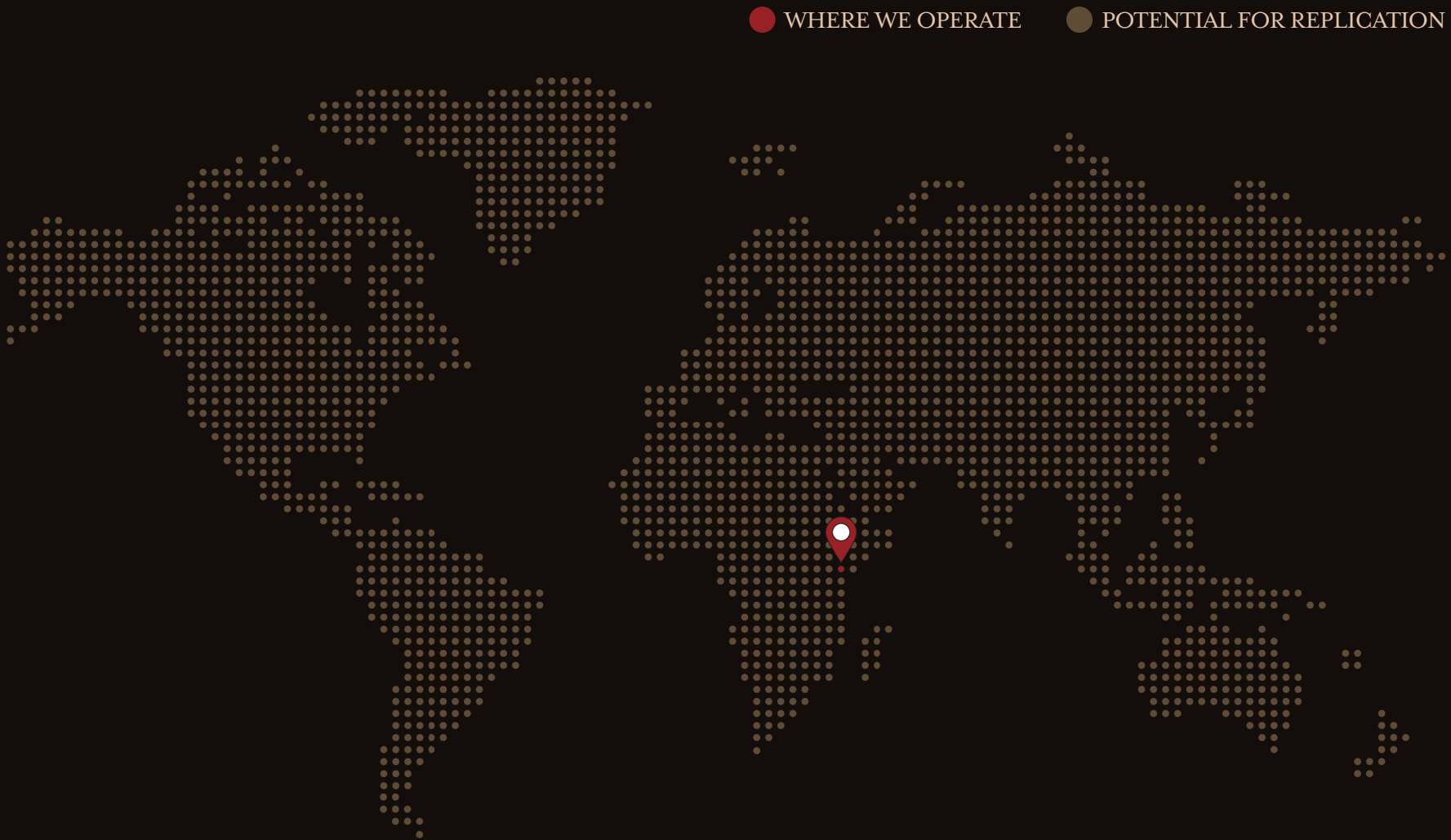
More than one billion people worldwide live in precarious unplanned settlements, or “slums.” By 2030, this figure will double to two billion (UN Habitat).

Life in slums is defined by lack of basic water, sanitation, and energy infrastructure. These conditions fuel rampant social and health problems and accelerate the vicious cycle of extreme poverty. There exists no blueprint that city governments can follow to provide sustainable infrastructure and ensure decent standards of living for slum-dwellers.

Kibera, located in Nairobi, Kenya, is one of the largest slums in Africa and home to HNP’s pilot town center, designed to be such a blueprint. Of Nairobi’s four million residents, 60%

live in slums. 250,000 to 500,000 people live in Kibera alone, which occupies just 6% of the city’s land. Aid groups have spent hundreds of millions of dollars attempting to improve the standards of living in Kibera. Though well-intentioned, these efforts have achieved little scale or impact while leaving a wake of dependency and resentment.

The scattered nature of the typical service providers is inefficient and burdens community members, requiring the majority of individuals’ time just to survive.



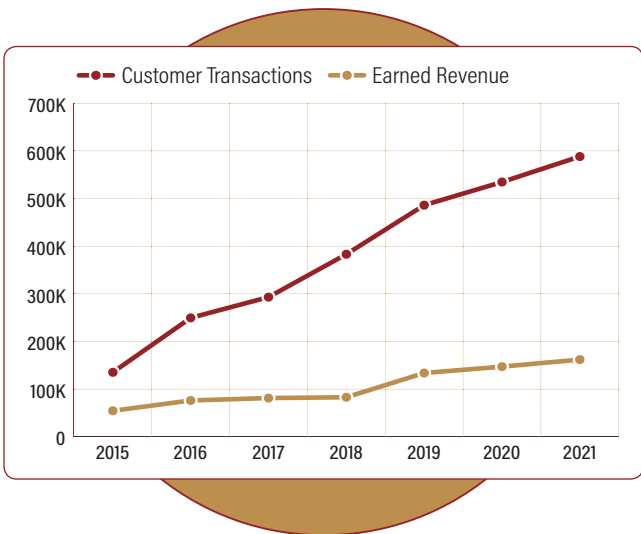
Our Model

HNP’s vision is to build sustainable infrastructure in slums that provides a path out of poverty. Our replicable solution is built on four key traits:



Community-Driven

Before designing and constructing KTC, HNP spent four years engaging community leadership and residents in a multi-faceted needs assessment to foster community ownership. KTC is managed and run by Kiberans who continuously ensure that we only offer services and products demanded by the local community. The town center concept can be adapted to any informal settlement through a strong partnership with local stakeholders and is intended to be replicated throughout the world.



Environmentally and Financially Sustainable

The backbone of KTC is cutting-edge green infrastructure, which powers affordable water, sanitation, and energy services, independent from any municipal infrastructure and without negatively impacting the environment. HNP provides expert support to KTC management to run our facilities. We track every transaction through a customized dashboard to ensure that the center moves towards financial sustainability while continuing to provide high-quality, in-demand services.



Empowerment-Based

We believe individuals living in slums deserve opportunities, not charity. Our model leverages infrastructure as a catalyst, going far beyond filling the void left by (at times willfully) neglected municipal services to support individual talent and growth. From imparting marketable skills to creating a space for community interaction and expression, for the first time, Kiberans have a space that is truly theirs. KTC sales trends demonstrate that even those living in extreme poverty are willing and able to pay for critical services, bypassing dependency to achieve confidence, skills, and access to opportunities.



Holistic

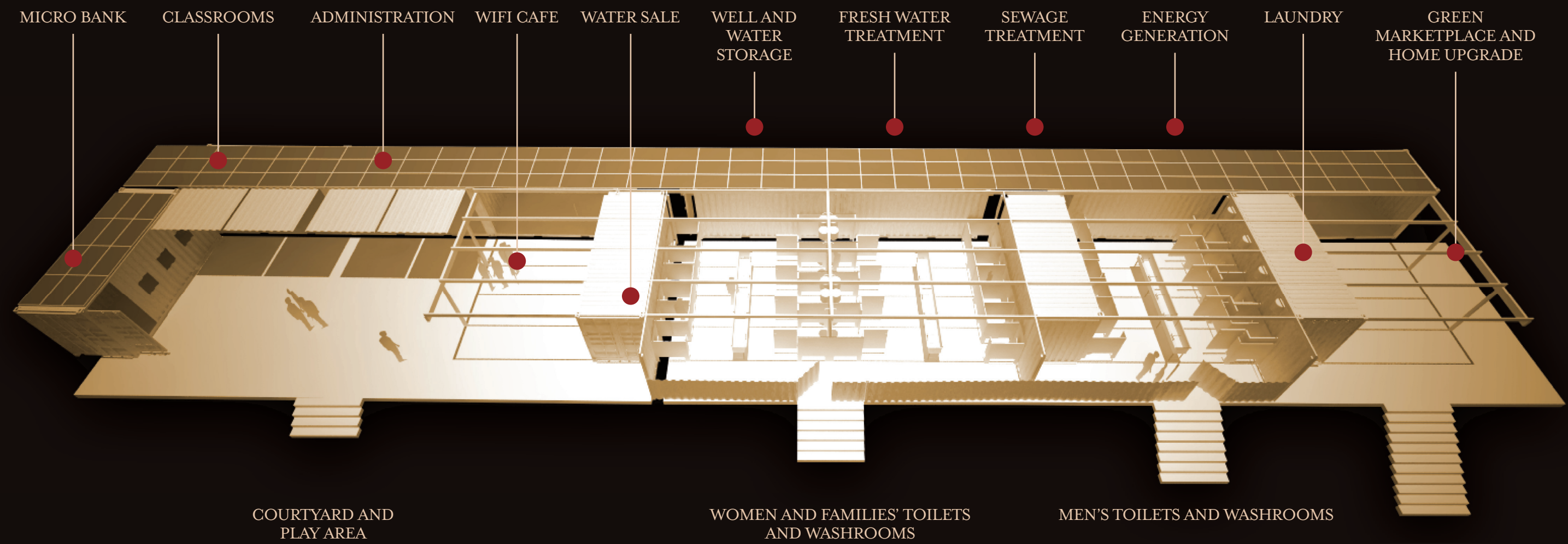
HNP’s town center model unites access to all the services and opportunities foundational to realizing one’s potential, under one roof. KTC removes uncertainty and wasted time by providing centralized, high-quality services – vastly more efficient than the typically siloed service delivery from multiple scattered organizations in slums.

KTC serves as a single platform that enables individuals living in slums to break out of survival mode and thrive.

As a non-profit social enterprise, we treat community members as customers, not beneficiaries. After HNP invests in the construction costs of a center, the goal is for each service line to break even under the management of community-based staff. KTC is currently recovering 35% of its direct costs.

KTC Facilities and Services

KTC's 8,000-ft² off-grid facility features: A PV solar array with a highly sophisticated inverter system, allowing for continuous energy delivery from three separate sources; fiber optic internet connection; a 300m-deep well and large solar pump that deliver 40,000 liters/minute into our state-of-the-art water filtration system, removing fluoride from the water and serving thousands of Kiberans through three separate delivery points (including neighboring primary and secondary schools with a total of 6,000 students), and; one of the most sophisticated proprietary wastewater management systems in the world, which cleans and recycles 16,000 gallons of black water per day.



Light Up Kibera

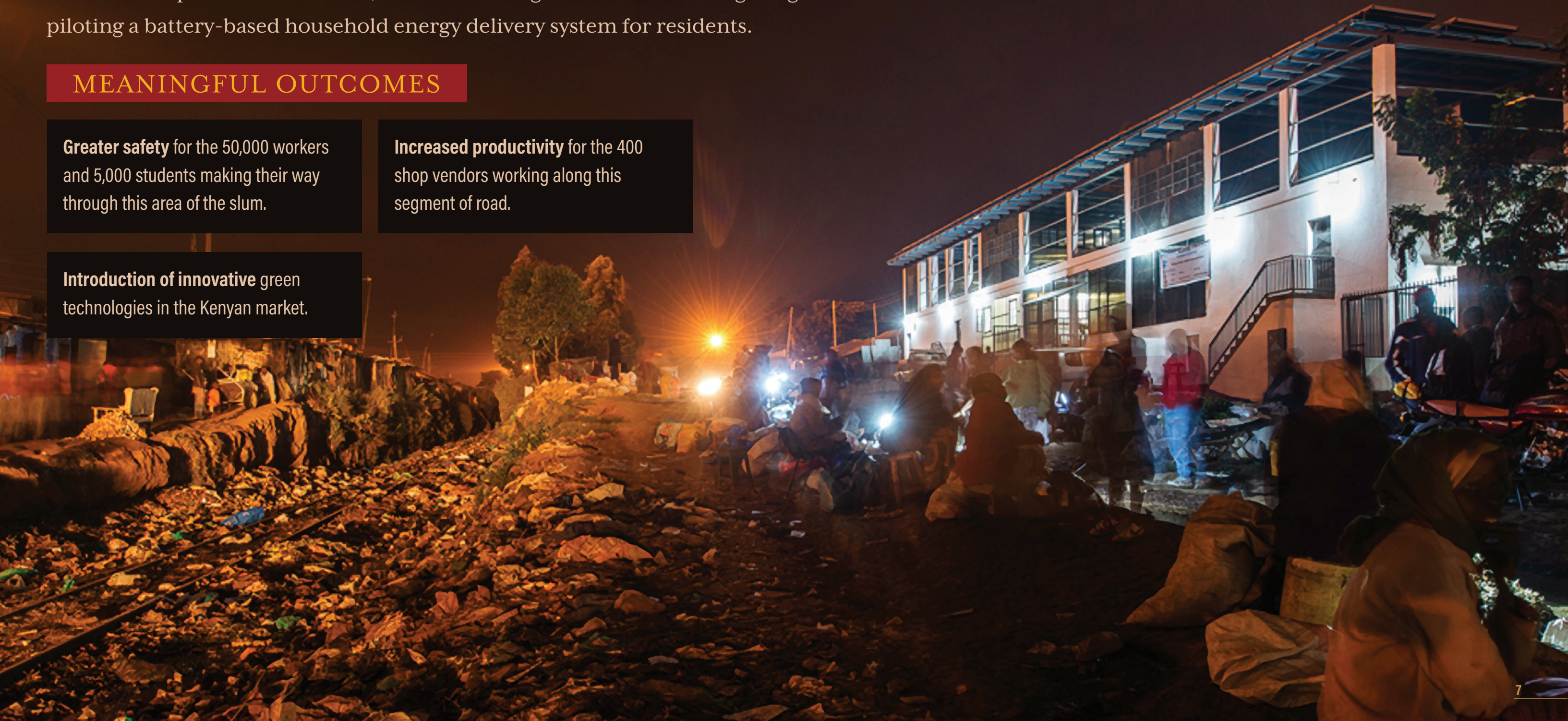
With the support of the Rockefeller Foundation, HNP launched a new energy project in Kibera in 2018. Utilizing the latest solar technologies from Lighting Science Group and E24 Solutions, we are installing one mile of street lighting and piloting a battery-based household energy delivery system for residents.

MEANINGFUL OUTCOMES

Greater safety for the 50,000 workers and 5,000 students making their way through this area of the slum.

Increased productivity for the 400 shop vendors working along this segment of road.

Introduction of innovative green technologies in the Kenyan market.





KTC Results

Kibera residents met their own basic needs and conducted over one million transactions for critical services at KTC from 2015–18, including:

460,000

USES OF CLEAN TOILETS

260,000

HOT SHOWERS

160,000

HEALTHY FOOD PURCHASES

94,000

CLEAN WATER PURCHASES

Job Preparedness and Placement

Informal settlements like Kibera have a huge amount of untapped talent: Youth in slums are rarely able to realize their full potential because of stigma, poverty, and the inability to access training, mentoring, and networks. HNP reverses this trend in three ways:

JOB CREATION: KTC is managed and run by community members and employs around 30 Kiberans, full-time.

JOB READINESS: What did you do before going to work today? KTC's provision of everything from basic services to internet connectivity, adult education, and workplace etiquette enables Kiberans to look and feel their best and compete with their peers in the job market.

JOB PIPELINE: An integral part of our approach is creating a jobs pipeline, from training through placement. We increase access to jobs

that would otherwise be inaccessible, by forging partnerships with a network of local and international companies to employ qualified candidates from Kibera, tailoring training programs to employers' needs and offering them at KTC. Our staff designs all course curricula in line with local culture, business practices, and job markets. In Kenya, we focus on the high-growth sectors of green energy service and maintenance, IT and digital marketing, and arts and entertainment. KTC currently offers six courses geared toward formal and self-employment.



Between 2015–18, 2,000 Individuals Completed Specialized Training and Education Courses

These success stories demonstrate that the capacity to solve Kibera’s most pressing problems lies with its residents.



CAROL

Carol founded WeeCare, a day-care and early childhood education center with a focus on instilling the importance of early education among young mothers. After graduating from KTC’s entrepreneurship course, she expanded to open three centers in the community.



MARION

Marion is a 20-year-old single mother, born and raised in Kibera. She has launched her IT career after completing digital literacy training at KTC, interning in our Wifi café, then securing a job with a company in Nairobi. She is now saving towards university and hopes to enroll as a part time student in 2020.



BERNARD

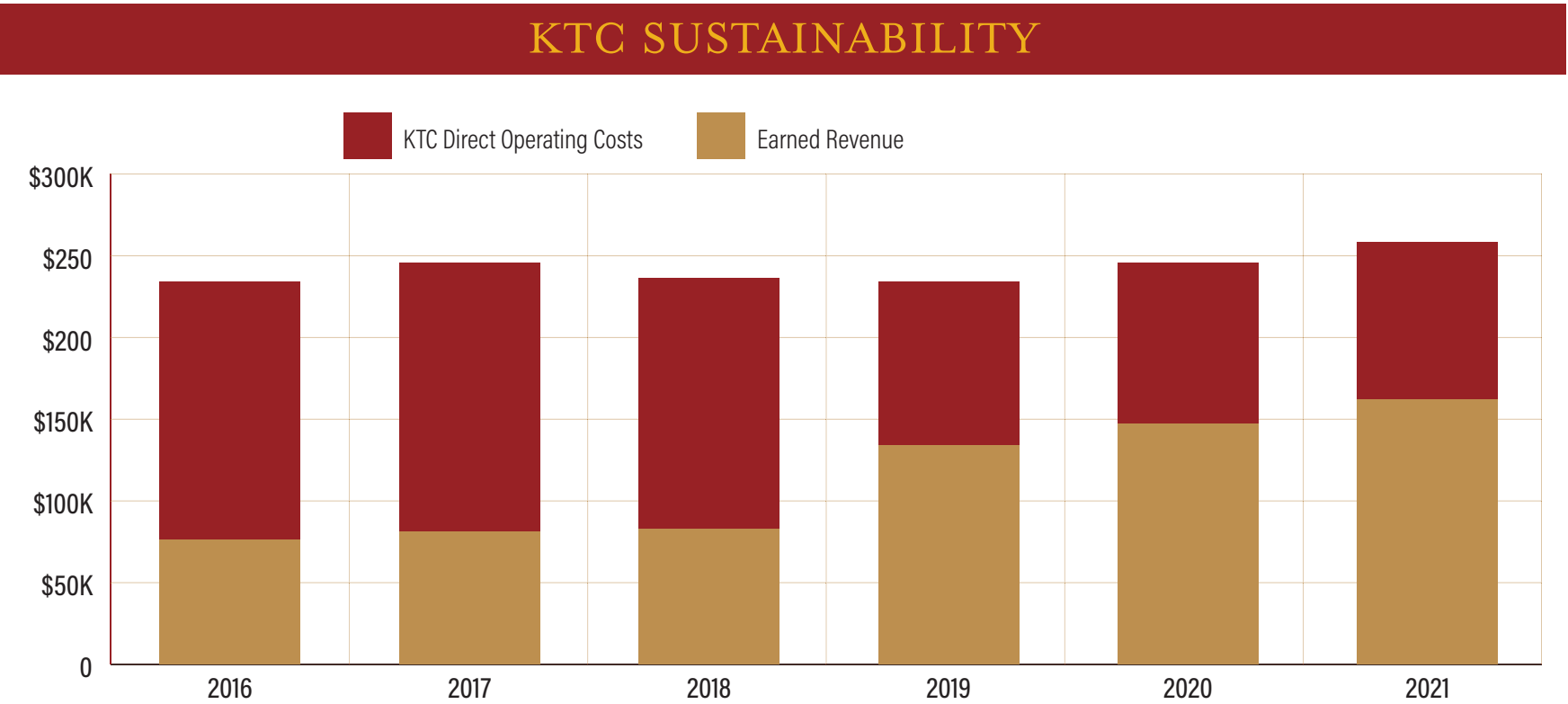
Bernard followed his passion and enrolled in photography and video classes. Upon graduating, he founded a sports media company, Bencho Sports, with three of his classmates. Bencho has grown into a nationally recognized brand and Bernard currently employs and manages five other photographers working across Kenya.

Cost-Efficiency and Sustainability

HNP is a non-profit social enterprise. After investing in the construction costs of a town center, the organization aims at reaching financial-sustainability for core operations through an earned revenue model.

Since opening in 2014, KTC has been driving towards such financial sustainability. In 2018, the center was recovering 35% of direct operating costs and we expect this percentage to continue growing in the coming years, reaching 63% by 2021. Under the leadership of KTC's first Executive

Director, our goal is to grow revenue 80% by the end of 2019. HNP maintains a light footprint in the US and uses donor funding to subsidize the high-quality training and educational offerings at KTC, monitoring and evaluation of our impacts, and, in the future, replication in additional locations.



Key Performance Indicators and Three-Year Growth Goals

Year	Total # of Annual Customer Transactions	Earned Revenue	KTC Direct Cost Recovery	Individuals Trained for Employment	Funds Raised
2018	380K	\$74,000	35%	700	\$1.1M
2019	490K	\$134,000	57%	840	\$600K
2020	530K	\$147,000	60%	1,000	\$1.2M
2021	590K	\$162,000	63%	1,200	\$700K

- Specific goals for 2019 include:**
- Design and launch impact evaluation in partnership with JHU
 - Increase KTC revenue by 80% by December, 2019
 - Ensure full legal compliance of the HNP SACCO and increase membership by 25%
 - Build and launch a new water-related business service
 - Build and open an artists' music studio offering accessible programming for aspiring local artists
 - Host the 4th annual "Kibera's Got Talent" competition, directly impacting 1,000 youths
 - Resource new leadership training programs for the KTC team
 - Share lessons learned from piloting E24 and Lighting Science Group technologies in Kenya to support broader market launch in-country

How HNP Contributes Effort and Funding

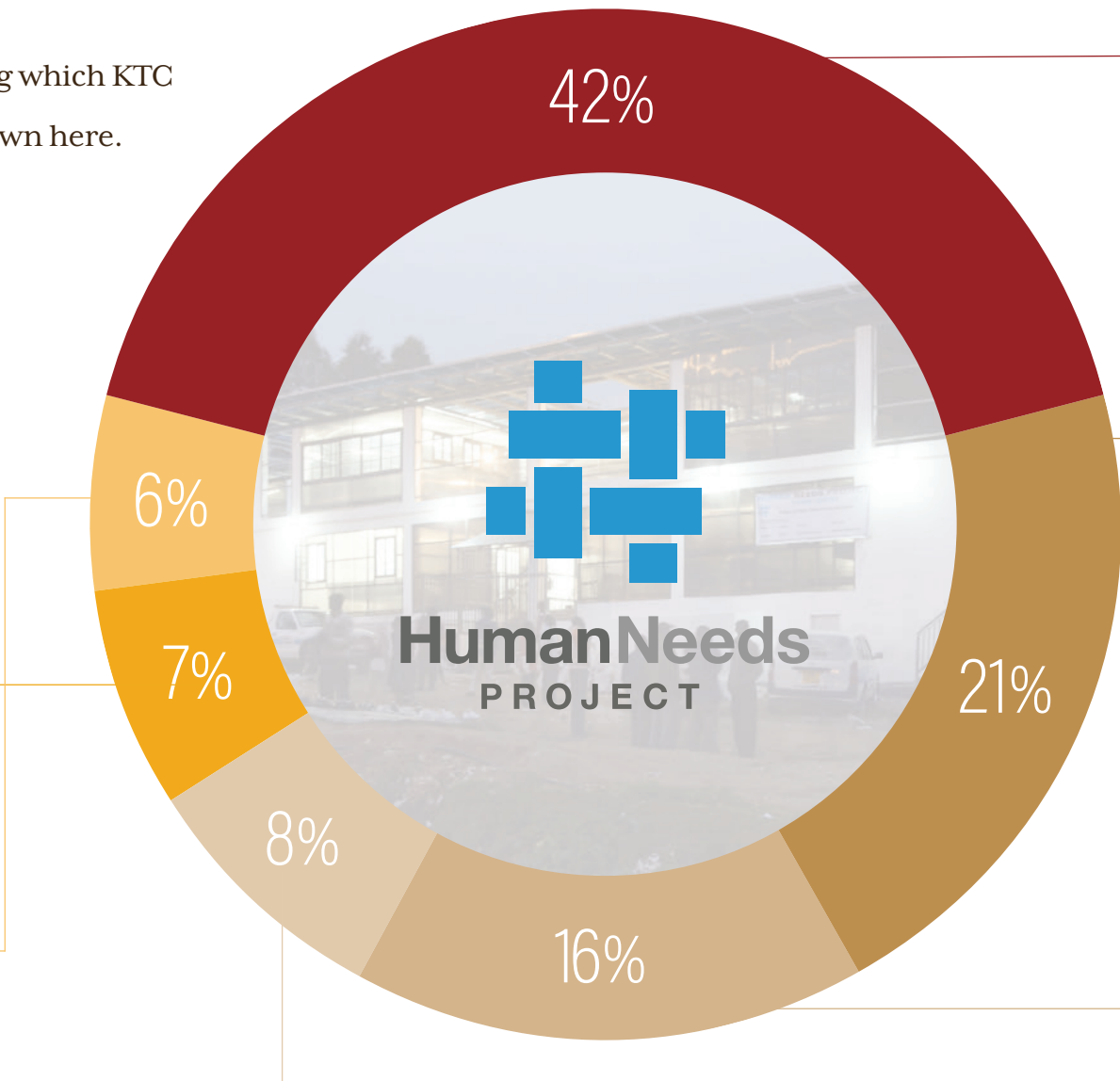
While direct town center operations will become financially sustainable, HNP is a non-profit and, per our founding charter, we are committed to providing ongoing technical support and oversight to the centers after building them and transferring management to a community. We also leverage the town center as a platform for hosting empowerment programming, promoting peace, and powering additional infrastructure in the broader community.

These activities complement and enhance the revenue-generating services available at KTC. Our unique combination of infrastructure, technology, and community building covers all the building blocks for prosperity and 15 out of the 17 UN Sustainable Development Goals (SDGs).

In the 32 months between January 2017 to August 2019, during which KTC was fully operational, HNP’s total budget was distributed as shown here.



- Empowerment Programming**
 - Adult education
 - Community meeting space
 - Community banking
- Arts and Peace Promotion**
 - Peace through equal opportunity and events
 - Film and music recording facilities
 - Talent development through concerts and events (“Kibera’s Got Talent,” Open Mic night)
 - Film-based advocacy (*Kibera Blues*)



- KTC Direct Operations**
 - Drinking water distribution
 - Sanitation facilities (toilets, sinks and showers)
 - Laundry
 - Cafe
 - Cyber services
 - Job training and placement
- Capital Investment and Technology Transfer**
 - KTC capital repairs and upgrades
 - Community infrastructure (street lighting and take-home battery packs)
 - New innovations in off-grid energy, water purification and waste water recycling
- Kenya-based Oversight and Technical Support for Capacity Building**
 - Data collection, monitoring and evaluation
 - Local management support
 - On-site technical support
 - New innovations in off-grid energy, water purification and waste water recycling
- US Management**
 - Global technical support
 - Fundraising
 - Administration and Legal

Beyond Proof of Concept: Optimization and Expansion

HNP is at an exciting inflection point. We are seeking new philanthropic support as we complete our proof-of-concept phase and look towards optimizing our services and programs over the next three years, and, beyond that, replicating our model of sustainable infrastructure for informal settlements.

Since 2011, HNP has been focused on developing our blueprint or the set of technologies needed to provide fully off-grid service centers in slums. After building, then opening KTC in late 2014, KTC has established a reputation among engaged community members and directly impacted hundreds of thousands of individuals during our proof-of-concept phase over the past four full years of operations.

We are currently focused on measuring and better understanding the impacts KTC has had on livelihoods, health, and well-being in partnership with top researchers from Johns Hopkins University (JHU). Launching this partnership will be the final step in HNP's proof-of-concept phase: It will enable us share best practices with other communities around the world, and validate, then replicate our model of sustainable infrastructure for informal settlements.



Leadership and Supporters

HNP was founded in 2010 by **Connie Nielsen**, an actress and activist, and **David Warner**, a globally-renowned green architect and constructor. HNP has received recognition and forged strategic partnerships with a number of leading international foundations, corporations, and universities. HNP's Board of Directors includes world-renowned climate scientist and University of Berkeley Professor, Dan Kammen, and leading international economist Marcelo de Andrade. Connie Nielsen was honored with the 2017 Nelson Mandela Changemaker Award and in 2015, HNP won the Aspen Ideas Award.



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