



WORKING TOWARD a SUSTAINABLE FUTURE

IOWA STATE UNIVERSITY | LIVE GREEN!

Live Green Loan Fund (LGLF)

Iowa State University has created a \$3 million energy conservation sustainability loan fund. The fund will provide interest-free funding for campus projects that have quantifiable savings and which meet return on investment criteria. Savings generated by these projects will be reinvested into the fund until the loan is paid, enabling the fund to finance additional projects. The funded projects will reduce annual operating expenses, decrease greenhouse gas emissions, decrease energy costs, and engage students, staff and faculty in the effort to reduce energy use and raise environmental awareness.

Getting Started

- **Who can use the fund?** Everyone can! This includes general fund units, non-general fund units, auxiliaries, on campus units, and off-campus units.
- **What can the fund be used for?** The fund may be used for any project that supports sustainability or energy conservation that ultimately results in savings. It is intended that the energy savings will be utilized to repay the LGLF zero interest loans, however, applicants must commit to set payment schedules.
- **Are matching funds to be encouraged?** Matching funds are not required to be eligible for LGLF funds. For instance, the applicant may provide incremental funding for projects that do not meet current payback requirements (i.e. a project with a 7-year calculated payback that payments are due over a 5 year period). Another example – a remodeling project of \$200,000 where the LGLF would provide \$25,000 for a component of the project that does meet the payback criteria.

Loan Fund Management

The Director of Sustainability will coordinate activities related to the Live Green Loan Fund. The Director will review loan applications, verify payback analysis, and prepare the application for review by the Live Green Loan Fund Advisory Committee and final approval by the President.

The Live Green Loan Fund Advisory Committee will approve loan applications. The Advisory Committee will also manage the loan fund balance and determine appropriate loan criteria to maintain a positive balance in the loan fund.

Loan Fund Criteria

- **Maximum award quantity** - \$1,000,000 total for LGLF projects in the first year.
- **Minimum award amount** - No project is too small to be eligible for LGLF funding.
- **Maximum single award amount** - There is no set maximum loan amount. The maximum single loan amount in the first year is anticipated to be about \$100,000. Future year loan restrictions will be based upon the success of past projects, the quantity of loan applications, the total amount of loans, and the funding available in the LGLF.
- **Duration of the Loan** - projects should be completed within two year. No projects may be proposed that cannot be completed within 2 years from the loan approval

- **Payback criteria or loan criteria** - The applicant will be expected to pay back the loan within at least 5 years from completion of the project. The payback period is fixed and cannot be extended if the anticipated savings are not achieved.
- **Can payback be aggregated?** For projects with several identifiable components, payback may be aggregated to meet the total project payback criteria.
- **How often can someone apply?** Applicants may apply as often as they wish. However, no one applicant may have more than two projects in design and/or construction at any one time. Exceptions may be made if requests for funding are below the announced funding available in any single loan application cycle.
- **Who determines what the payback is?** The applicant needs to include a preliminary payback analysis as part of the application. The Director of Sustainability will review the likely project payback and will provide a final payback analysis for determination of LGLF funding. The LGLF Advisory Committee will make the final decision on loan awards.
- **Can I change out capital project funding for deferred maintenance with a loan?** Not at this time. New construction and major remodeling projects will not initially be eligible for LGLF funding.

Application Process

- **Where can I get an application?** The application is available on-line at www.livegreen.iastate.edu
- **Application cycle/schedule** - Loan applications will be accepted continuously. Loan applications will be processed as quickly as possible dependent upon the number of loan applications received.
- **Who can I talk with to determine if I should fill out an application?** Talk with your department head or unit leader about your project idea. Make sure that you have loan repayment capacity and approval from the person(s) responsible for your work unit funding.
- **Who approves applications before submittal?** Applications must be approved by your department head and the associated dean or administrative leadership representative prior to submittal.
- **Where are applications submitted?** Applications shall be submitted to the Director of Sustainability, 108 General Services Building, mrankin@iastate.edu, or fax 294-4593.
- **What happens if the payback is wrong and I have no dollars to pay back the loan?** The obligation to repay the loan is binding. If the savings are lower than originally estimated, the loan applicant must internally allocate funds to cover the loan payment.
- **What are the responsibilities for applicants once loan is approved?** Each loan recipient will be expected to provide semi-annual progress reports in January and July of each year, until the loan is repaid. These reports will be published to allow the university and the public to see the progress that we are making as we “Live Green” and become a more sustainable university community.

Questions?

Questions can be directed to the Director of Sustainability, 515-294-5052 or mrankin@iastate.edu.