



# JANE E. LAWTON CONSERVATION LOAN PROGRAM

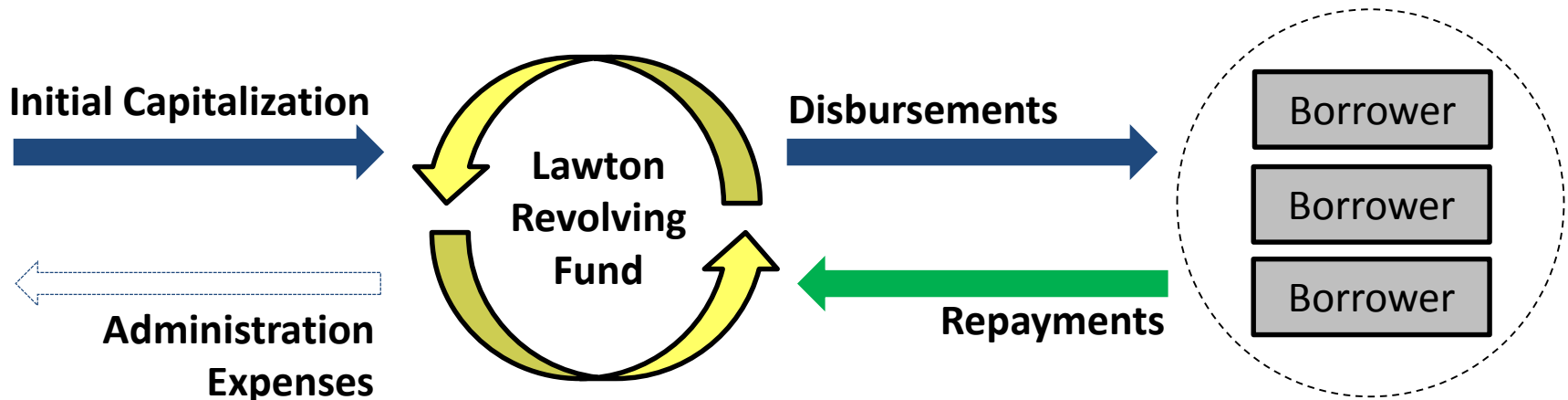


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[www.Energy.Maryland.gov](http://www.Energy.Maryland.gov)

# Lawton Loan Program Overview

- A revolving fund – an original investment that has been recycled over time for many borrowers.



- Interest charges and fees sustain the Program over time.



# Lawton Loan Program Background

- Provides low-interest loans for energy efficiency and conservation improvements to structures located within the State of Maryland.
  - FY19 interest rate is 2.00% per annum
- Maryland businesses, nonprofit organizations, and local governments may apply.
- Addresses up-front costs associated with energy efficiency investments and provides funding on a shared-cost basis.
  - Complements local, State, and utility programs
  - Revolving funding ensures future program sustainability

# Entities Eligible for Lawton Loans

- **Businesses**

- Maryland corporations
- Other corporations registered to do business in Maryland

- **Nonprofit Organizations**

- Foundations
- Private Schools
- Hospitals

- **Local Governments**

- Counties
- Municipalities
- Boards of Education
- Special Districts

**State agencies** may be eligible for funding through MEA's [State Agency Loan Program \("SALP"\)](#).

**Local governments, nonprofit organizations, and businesses** may be eligible for grants for certain renewable energy projects through MEA's [Commercial Clean Energy Grant Program \("CEGP"\)](#).

**Residents** may be eligible for [grants](#) for certain renewable projects or [rebates](#) and [loans](#) for certain energy efficiency improvements.

# Energy Projects Eligible for Lawton Loan Financing

- One or more improvements or modifications that enhance energy efficiency and reduce the operating expenses of a structure located in Maryland.
- Eligible projects must reduce energy consumption/increase energy conservation of the structure.
- Eligible projects must possess a simple payback of 10 or fewer years.

$$\text{Simple Payback} = \frac{\text{Total Proposed Project Cost}}{\text{Total Annual Anticipated Energy Cost Savings}}$$

- **Anticipated energy cost savings** are the expected reductions in annual operating expenses resulting from the installation, operation, and maintenance of a project.

# FY19 Lawton Loan Program Terms

- Total Program budget of \$850,000
- 2.00% annual interest rate
- Applications will be accepted until the funding is exhausted or June 30, 2019, whichever comes first.
  - \$170,000 of the total Program budget will be reserved for nonprofit organizations until November 30, 2018.
  - Beginning December 1, 2018, all available funding will be loaned on a first-come, first-served basis with special emphasis given to projects that will generate greater energy savings.
  - Commitments will be issued beginning November 1, 2018.
  - Closings will be scheduled beginning December 1, 2018.

# Lawton Loan Program

## Application Requirements

- **All applicants must submit a completed application packet and all required supporting documents.**
- **Completed applications must include:**
  - Total proposed project costs
  - Total annual anticipated energy savings, certified by a qualified engineer
  - Annual cost savings estimates
  - List of other leveraged funds (e.g. utility rebates, grants, etc.)
  - Financial information to determine creditworthiness
  - Certificate of Good Standing from the [Maryland State Department of Assessments and Taxation \("SDAT"\)](#).
- **The application packet can be found on the Lawton Loan website at <http://energy.maryland.gov/govt/Pages/janeelawton.aspx> under the "How to Apply" section.**

# Lawton Loan

## Application Process and Timeline

- ← Day 1
- ← Time
- Day 120 ←
- 1) Applicant submits a complete application package either electronically or by mail to MEA
  - 2) MEA conducts three (3) reviews on each application ( $\pm 45$  days)
    - Internal review to determine feasibility
    - Review by expert technical consultant to verify proposed energy savings
    - Review by State agency partner to evaluate creditworthiness of borrower and identify sources of collateral
  - 3) Based upon the results of the reviews, MEA offers a conditional commitment for financing ( $\pm 15$  days)
  - 4) Loan documents are negotiated ( $\pm 45$  days)
  - 5) MEA and Borrower set a closing date



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# Lawton Loan Application Submission

## Application Submission Options

### Online submission (strongly encouraged)

- Submit all documents to [ci.mea@Maryland.gov](mailto:ci.mea@Maryland.gov).
- More detailed instructions provided in Application packet.
- Applicants will receive a confirmation email within 24 hours of submission.

### Hard copies (mailed or hand-delivered)

Send to:  
Maryland Energy Administration  
Attn: Lawton Loan Program – Application  
1800 Washington Blvd. Suite 755  
Baltimore, MD 21230

**Applications for the FY19 Program will be accepted until funding is exhausted or June 30, 2019, whichever comes first.**



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# Past Successful Projects Financed with Lawton Loans

- In FY2012, a business borrowed \$68,000 to replace a heating system and implement lighting upgrades.
  - Annual electricity savings will be about 105,000 kilowatt-hours (kWh) and natural gas savings will be almost 4,700 therms.
  - Annual cost savings will be nearly \$18,000.
- In FY2013, a non-profit museum borrowed \$180,000 for new heating and cooling equipment and LED lighting.
  - Annual electricity savings will be over 210,000 kWh.
  - Annual cost savings will be almost \$30,000.
- In FY2014, a condominium association borrowed \$260,000 for new energy efficiency equipment.
  - Annual electricity use will be reduced by nearly 365,000 kWh.
  - Annual energy cost savings will be over \$35,000.
- In FY2015, a manufacturing facility borrowed \$342,640 for new energy efficiency equipment.
  - Annual electricity use will be reduced by nearly 491,030 kWh.
  - Annual energy cost savings will be over \$56,083



# Questions?

For more information, visit MEA's website:

- Lawton Loan Program:

<http://energy.maryland.gov/govt/Pages/janeelawton.aspx>



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# Thank you!

## MEA Contact Information

David Giusti  
Program Manager  
(410) 537-4072

[david.giusti1@maryland.gov](mailto:david.giusti1@maryland.gov)



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