



ENERGIZE MICROLOAN FUND FOR THE ARTS

Founding
Sponsor



PROGRAM OVERVIEW

ArtsBuild Ontario (ABO) and Community Forward Fund (CFF) have established the Energize Microloan Fund for the Arts, a fund of \$60,000, to support efforts to make arts facilities more energy efficient.

This fund will provide nonprofit arts organizations small loans from \$2,500 to \$5,000 at an interest rate of 3.5%* that can be used for the purpose of funding projects that could reduce their energy consumption or towards plans, reports or audits needed to qualify for/or understand the energy efficiency of their buildings.

TD Bank generously granted \$30,000 towards this loan fund. We will be working in partnership with Toronto Hydro and other Local Distribution Companies to ensure that the organizations borrowing from this fund access saveONenergy^{OM} incentives, where applicable, to save them the most money.

Please connect with ArtsBuild Ontario, lindsay@artsbuildontario.ca, to learn more about the incentives that could further reduce the energy consumption in your facility.

*ArtsBuild has subsidized the rate of interest in the amount of 4.5%, so organizations can borrow at 3.5%

What will it fund?

The Energize Microloan Fund for the Arts will fund projects to:

- Allow organizations to undertake and complete needed small energy efficiency or conservation related projects, renovations or energy-efficiency improvements that reduce their annual operating expenses;
- Commission energy audits that allow for business planning and that are required for many incentive programs; and/or
- Complete the planning and business case preparations, for the required capital investment in larger improvements.

Examples of Eligible Small Improvement Projects

- Installation of energy efficient lighting systems
- Installation of low flow toilets
- Insulation
- Replacement of any system or component with an energy efficient system/component
- Replacing windows or roofs

The project should:

- Reduce the organization's monthly energy expenses
- Contribute to the sustainability of the facility

Additional program support provided by:



The Energize Microloan Fund for the Arts will not fund the following:

- Ongoing operating expenses such as salaries, wages, benefits, rent, insurance and utilities
- Unproven technologies

ELIGIBILITY

Eligible Arts Organizations

- Nonprofit arts organizations in Ontario responsible for the maintenance of their facilities and who pay for their own utilities;
- Have gross annual revenue no greater than \$5 million;
- Are addressing an environmental, energy efficiency or conservation challenges in their creative spaces

Eligible Borrower Criteria

- A charitable or nonprofit arts organization in good-standing
- Annual revenues in excess of \$75,000 but less than \$5,000,000
- In existence for at least 3 consecutive years
- Financial statements for last three years
- Consistent and positive operating cash flow
- Operating budget for current year
- Positive fund balances
- Owner occupied building or long term lease for 5 years or greater
- Adequate all perils insurance in place
- Non-breach of any financial obligation
- Proven management and governance
- Evidence of community support, i.e. sales, donations, grants, etc.
- Positive credit reference from a principal financial services provider
- Organization has alternative sources of repayment and is not solely reliant on energy savings to repay loan over term

Additional program support provided by:



LOAN DETAILS

Interest Rate/Fees/Term

- Borrowers will pay an interest rate of 3.5%
 - CFF charges 8% annual fixed rate of interest on this loan. ArtsBuild Ontario is subsidizing this annual fixed interest rate in the amount of 4.5%, to make it more affordable for your organization
- \$250* non-refundable application fee, to be paid by applicant
- Unsecured, demand, extendable 24 month loan, with maximum term of 36 months

**for successful applicants, this fee can be rolled into your loan, for unsuccessful applicants (that have provided a complete application and spoken to ArtsBuild about their application), ArtsBuild will reimburse \$150 of this fee)*

Loan Application Process

To receive an application, email lindsay@artsbuildontario.ca or visit <http://www.artsbuildontario.ca/financing/energize-microloan-for-the-arts>

- Submit your completed application with attachments to ArtsBuild Ontario along with your non-refundable check for \$250.00* (made payable to COMMUNITY FORWARD FUND)
- Loan applications are received and reviewed for completeness by ArtsBuild, and those eligible are forwarded to CFF
- CFF will evaluate the application for loan underwriting
- ArtsBuild will communicate the results of the application within two weeks

**for successful applicants, this fee can be rolled into your loan, for unsuccessful applicants (that have provided a complete application and spoken to ArtsBuild about their application), ArtsBuild will reimburse \$150 of this fee)*

Loan Monitoring

- Borrowers will be required to report to ArtsBuild annually on financial performance and progress to completion of projects, studies and business plans – these terms will be included in the loan agreement.

Additional program support provided by:



Loans

- Loans will be repaid directly to CFF by borrower in monthly installments of principal and interest (the repayment schedule will be included in the lending agreement)
- Principal can be rolled over into a subsequent loan, if the organization proceeds with investment in facilities, and if there is a business case that can sustain the investment and loan

APPLY TODAY!

PLEASE EMAIL LINDSAY TO DISCUSS APPLICATION PRIOR TO APPLYING

Lindsay MacDonald, Director of Programs, lindsay@artsbuildontario.ca

To apply to the Energize Microloan Fund for the Arts, download the application at

<http://www.artsbuildontario.ca/financing/energize-microloan-for-the-arts>

We are currently accepting applications. At this time there are only 12 loans available.

Additional program support provided by:

