

## Designing and implementing an MIT Green Fund

For an institution that studies and nurtures technology, MIT is woefully behind when it comes to new ways of organizing its own operations to minimize negative environmental impacts. This project seeks to address the gap. The host is Steve Lanou (see below)—here's what he says:

*I think it would be terrific and very helpful if the class took on the evaluation and development of a more specific proposal for a revolving loan fund for energy project and education investments in the MIT context.*

*The recently announced Energy Initiative contains a campus-focused contribution to addressing the "energy crisis", which is predicated on the creation of such a revolving loan fund. The details of such a fund have not been worked out and could benefit from your class's attention.*

Here's how the students who tracked down the opportunity put it:

*Are you ready to use your business skills to create a tangible impact in your community?*

The Green Fund is an opportunity to invest in sustainability at MIT by funding projects demonstrating high financial and environmental returns, including energy conservation, green building and technology upgrades. Harvard's similar fund has yielded returns that double those at either school's endowments. A growing coalition at MIT believes our institution should not miss opportunities for entrepreneurial solutions to financial and environmental problems. Your work developing a concrete, implementable plan for an MIT Green Fund could be key to helping the MIT administration to capture value for sustainable projects. Creating a Green Fund plan will involve coordinating with students, faculty and staff who would design and implement investment projects, and will call on your skills in finance, entrepreneurship, management, and organizational leadership. You will have an opportunity to make an airtight case for campus sustainability to high level administrators.

It's inspired by a successful program at Harvard University:

*The Green Campus Loan Fund provides interest-free capital for high performance campus design, operations, maintenance and occupant behavior projects. Basic project eligibility guidelines state that projects must reduce the University's environmental impacts and have a payback period of 5 years or less. The model is simple: GCLF provides the up-front capital interest-free. Applicant departments agree to repay the fund via savings achieved by project-related reductions in utility consumption, waste removal or operating costs. This formula allows departments to upgrade the efficiency, comfort, and functionality of their facilities without incurring any capital costs.*

<http://www.greencampus.harvard.edu/gclf/>

## **Some contacts:**

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As Deputy Director in the [MIT Environmental Programs Office](#), Mr. Lanou leads the office's campus sustainability program. He works to develop, promote, and coordinate MIT-wide policies and initiatives to advance the Institute's commitment to sustainable practices. Working in a cooperative fashion with all Institute departments, labs, and centers, the Environmental Programs Office seeks out and promotes partnerships to undertake and advance initiatives that minimize the environmental impact of the campus, provide educational opportunities for students, and ensure sound environment, health and safety practices and services on campus.

Mr. Lanou is an environmental planner with 15 years experience in environmental policy development and program implementation. He holds a Bachelors degree in international economic development from Brown University, and a Masters degree in environmental policy and planning from the Massachusetts Institute of Technology.

### **Student entrepreneurs**

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