



# Investment and Innovation grants

## Guidelines

*Revised January 2023*

### 1. PURPOSE

The Investment and Innovation grant program aims to reduce environmental and human health impacts associated with products consumed in the Metro region, and promotes a solid waste system that benefits communities of color and other historically marginalized groups. The program funds for-profit businesses, not-for-profit organizations and institutions of higher education to develop and sustain efforts to reduce disposal of materials through waste prevention, reuse and repair, and material recovery (including recycling and composting). The grants help reduce greenhouse gas emissions that drive climate change and emissions of toxic particulates—impacts which disproportionately burden communities of color. At the same time, the program supports efforts to advance racial equity in the solid waste system, including expanding services and employment opportunities for underserved communities and reducing harms from garbage and recycling operations. The Investment and Innovation program advances progress towards achieving multiple goals of the 2030 Regional Waste Plan and Metro’s Strategic Plan to Advance Equity, Diversity and Inclusion.

### 2. OBJECTIVES

Projects funded by Investment and Innovation grants are intended to:

- a) **Reduce harmful environmental and health impacts:** Reduce the amount and toxicity of waste associated with products consumed in the Metro region.
- b) **Advance equity:** Create benefits from the solid waste system for communities of color and other historically marginalized groups, including career opportunities, expanded access to waste-related services, and reduced harms from garbage and recycling operations. Develop the capacity of businesses and organizations in the solid waste system to create more equitable workplaces.
- c) **Build system resilience:** Strengthen, improve and increase the capacity of the region’s waste prevention, reuse/repair, and material recovery infrastructure and workforce.
- d) **Catalyze innovation:** Encourage projects that test or expand new strategies and technologies.

### 3. GOVERNANCE

- a) Metro Code:  
Metro Code Chapter 5.04 (Investment and Innovation Program) establishes a program that invests public resources to create, expand, improve, preserve, and diversify efforts that advance waste prevention, reuse, recycling, composting, and energy recovery consistent with Metro’s Regional Waste Plan and Metro’s diversity, equity, and inclusion goals.
- b) Metro Council will:
  - i) Assign a Metro Councilor to serve as a member of the Investment and Innovation capital Grant Review Committee.

- ii) Review Investment and Innovation Seven-Day Notices issued by the Metro Chief Operating Officer to inform the Metro Council of grant project funding decisions. A Councilor will have seven days from the date of the notice to make a request by email for a briefing or to bring the matter forward for formal Council action. If the Metro Council chooses to take formal action on a grant project funding decision, the Council may allow the decision to stand, send the decision back for reconsideration, or deny or approve the decision. The funding decision will become final seven days after the date the notice was issued if no Councilor requests it be presented to the full Metro Council for review.
  - iii) Determine whether to adopt the Investment and Innovation grant program's operating budget and annual grant funds as part of Metro's budgeting process.
- c) The Metro Chief Operating Officer will:
- i) Make funding decisions, informed by recommendations by the Grant Review Committee(s) and Metro Waste Prevention and Environmental Services Director.
  - ii) Provide the Metro Council with Investment and Innovation Seven-day Notices to inform the Council of grant project funding decisions.
- d) The Waste Prevention and Environmental Services Director or their designee will:
- i) Select one or more program priority focus areas on annual basis, if the Director determines it would benefit the program in achieving its objectives.
  - ii) Determine a target amount of funding available for each category of grants offered, if the Director determines it would benefit the program in achieving its objectives.
  - iii) Determine the scope of responsibility for the Grant Review Committee(s) as to whether it will evaluate both capital and program grants, or one or the other.
  - iv) Appoint Investment and Innovation Grant Review Committee(s) members, who may include:
    - (1) One Metro Waste Prevention and Environmental Services manager or staff member to serve as chair.
    - (2) Two or three non-Metro government agency representatives.
    - (3) Two or three community members, including at least two people representing an underserved or underrepresented community.
    - (4) One representative from a non-solid waste related business.
  - v) Review and approve, reject or modify Grant Review Committee(s) funding recommendations.
- e) The Grant Review Committee(s) will:
- i) Evaluate proposals for funding to determine whether they meet the Investment and Innovation grants program criteria and whether applicants have the capacity to implement their project as described.
  - ii) Offer suggestions to strengthen applications.
  - iii) Make funding recommendations to the Metro Chief Operating Officer.

#### **4. METRO REPORTING**

Metro staff will produce an annual report documenting the types and amounts of grants awarded and grant outcomes. That report will be presented to the Metro Council and published on the Metro website.

#### **5. FUNDING GUIDELINES**

##### **a) Eligible Applicants**

- i) Non-profit organization (or fiscal sponsor) with a federal 501(c) tax designation.
- ii) For-profit business.
- iii) Institutions of higher education (universities, colleges).

##### **b) General Eligibility Requirements**

- i) An applicant must be in compliance with local, state, and federal requirements.
- ii) An applicant must have secured all relevant permitting licensing, approvals, waivers and other authorizations applicable to the grant-funded project, or have these processes substantially completed with a plan for completion, at the time of application for the grant.
- iii) An applicant must demonstrate that it has matching funds or other contributions to share in the cost of the project, if required.
- iv) An applicant's proposed project must be located within the Metro jurisdictional boundary and/or significantly advance Investment and Innovation program objectives for the Metro region.

##### **c) Ineligible Costs**

- i) Investment and Innovation grants may not be used for:
  - (1) Costs not directly tied to the proposed project or program.
  - (2) Costs associated with preparing a grant proposal, stock or debt offering, formation of partnerships, incorporations, fundraising, or other forms of such business costs.
  - (3) Costs incurred outside of the scope or time period of the funding agreement.
  - (4) Costs for which payment has been or will be received under another financial assistance program.
  - (5) Payment of fines, penalties, arrears, judgments, or other such obligations.
  - (6) Projects that may degrade the quality of air, water and land resources.
  - (7) Costs related to transactions with an affiliated company.
  - (8) Purchase, rent or lease of land or buildings, except if explicitly permitted for certain priority projects/programs and/or applicant types as specified in the funding solicitation.
- ii) In addition to (c)(i), Investment and Innovation capital grants may not be used for indirect/overhead costs. Up to 10 percent of program grant funds may be used for indirect/overhead costs that are directly related to the project.
- iii) Capital grants may not be used for labor/personnel, benefits and related costs, except as follows: Up to 20 percent of the total capital grant awarded to a business or organization with an annual operating budget of \$500,000 or less may be used for labor/personnel and related costs directly related to implementing the grant project.
- iv) Additional prohibited expenses may be outlined in the funding solicitation.

d) **Multiple Applications**

- i) An applicant may apply for funding for one or more projects within a grant cycle, but must submit a separate proposal for each individual project. Metro will award grants from the current year's funding cycle and will not commit a future grant cycle's monies.
- ii) An applicant may apply for both a capital grant and a program grant for the same project through separate applications and according to the respective application processes.

**6. INVESTMENT AND INNOVATION FUNDING**

- a) The Solid Waste Operating Fund will fund the annual operating budget of the program beginning on July 1<sup>st</sup> and ending on June 30<sup>th</sup> each fiscal year.
- b) The Metro Chief Operating Officer will determine the amount of program funding to request through the COO's annual proposed budget.

**7. GRANT CATEGORIES**

a) **Investment and Innovation Capital Grants**

The conditions of the grant category include:

- i) Grants may be awarded in amounts between \$50,000 and \$500,000 per proposal.
- ii) This grant category is intended to fund investments in equipment, machinery, and buildings.
- iii) A capital grant award to a for-profit company or institution of higher education must be fully matched by the grant recipient in cash. For example, a \$100,000 Metro grant would require the grant recipient to provide at least \$100,000 in cash match spent on the project. There is no match requirement for capital grants awarded to not-for-profit organizations.
- iv) Grant proposals for this category will be solicited no more than once per fiscal year.
- v) The grant recipient must complete the Metro-funded project within 24 months of the date the grant contract is signed, unless otherwise agreed to by Metro. The grant recipient may request that Metro allow an extension of the timeframe for extenuating circumstances.
- vi) Metro may determine particular needs to be prioritized during a grant cycle. Metro will identify such needs in the grant solicitation as priority focus areas for funding.

b) **Investment and Innovation Program Grants**

The conditions of this grant category include:

- i) Grants may be awarded in amounts between \$10,000 and \$100,000 per proposal.
- ii) This grant category is intended to fund investments in personnel, materials and supplies, equipment and contracted professional services.
- iii) A program grant award to a for-profit company or institution of higher education must be matched by the grant recipient in an amount equal to at least 20 percent of the Metro award. The match may be cash, in-kind contributions, or a mix of the two. For example, a \$100,000 Metro grant would require the grant recipient to provide at least \$20,000 in cash and/or in-kind match spent on the project or program. There is no match requirement for program grants awarded to not-for-profit organizations.
- iv) Grant proposals for this category will be solicited no more than once per fiscal year.

- v) The grant recipient must complete the Metro-funded project within 18 months of the date the grant contract is signed, unless otherwise agreed to by Metro. The grant recipient may request that Metro allow an extension of the timeframe for extenuating circumstances.
- vi) Metro may determine particular needs to be prioritized during a grant cycle. Metro will identify such needs in the grant solicitation.

## **8. PROPOSAL**

- a) An eligible applicant must submit a complete grant proposal in the form and format prescribed by Metro to be considered for funding.
- b) Information about the Investment and Innovation grants proposal procedures will be posted on the Metro website. Metro will provide notice of the proposal solicitations on at least an annual basis. The notice will include the anticipated amount of funds available and any deadlines by which an applicant must submit a proposal.
- c) Each final grant proposal must include a detailed narrative description of the scope of work, a detailed itemized budget and timeline for completing the proposed project or program activities and deliverables. The itemized budget must show the overall total cost of the project and the amount of grant funds that will be applied towards the total cost.
- d) Metro staff will provide assistance to applicants in how to complete a proposal upon request.
- e) Metro and the Grant Review Committee(s) will evaluate all complete proposals received by the submittal deadline date using the criteria identified in these guidelines.

## **9. GENERAL SELECTION CRITERIA: CAPITAL AND PROGRAM GRANTS**

Metro and the Grant Review Committee(s) will evaluate each complete proposal received by the submittal deadline to determine the extent to which the project achieves the Investment and Innovation grant objectives, as set forth in Section 2. Metro and the Grant Review Committee(s) will apply the following criteria in determining whether to award grant funding to an applicant. Additional detail on the criteria and scoring system will be published with each proposal solicitation.

### **Grant Review Criteria:**

- a) Proposed project demonstrates alignment with the program objectives and positive waste stream, environmental and/or human health impacts.
- b) Proposed project demonstrates positive equity impacts.
- c) Proposed project work plan is thorough and adequate.
- d) Proposed project budget is thorough and adequate.
- e) Proposal demonstrates applicant readiness (experience, resources, etc.) to complete the work.
- f) Proposal describes clear plan for evaluating project impacts.
- g) Bonus criteria, if applicable: As set forth in Section 7, Metro may determine and prioritize solid waste system needs for grant funding. If a priority focus area is identified, Metro may award additional evaluation points for proposals that address those priority focus area(s).

## **10. FUNDING CONTRACT**

- a) Metro will enter into a contractual agreement with each successful applicant. The contract will specify the grant recipient's obligations, including legal and insurance requirements. A successful applicant must have all of the authorizations outlined in 5(b)(ii) in place before Metro will disburse grant funds.
- b) For capital grants, Metro will disburse grant funding on an expense reimbursement basis, unless otherwise agreed to by Metro. For program grants, Metro will advance funds in installments, except for the final disbursement which will be on an expense reimbursement basis, unless otherwise agreed to by Metro.
- c) The recipient must submit periodic interim reports describing project progress related to scope of work, schedule, and budget as specified in the funding contract.
- d) The recipient must provide Metro with an end-of-project report as specified in the contract. The final 10 percent of the total grant funds will be available after Metro receives and approves the final grant report.
- e) Metro may specify other reporting requirements in the funding contracts.
- f) For capital grants, Metro will require contract conditions to protect the public's interest, if within five years of grant completion the applicant becomes insolvent, ceases use of the grant-funded equipment or infrastructure improvements for grant purposes, or sells the equipment or infrastructure purchased by the grant.
- g) Metro may cancel a funding contract if it determines that the applicant has failed to make progress, the business has changed ownership, or if the project design or development is significantly different from what was approved for funding.

## **11. CONDITIONS OF AWARD**

Metro may award funds with conditions incorporated as part of the funding contract. These could include securing and demonstrating matching funds or permits, licenses, approvals, waivers or other authorizations applicable to the grant-funded project. Conditions may also include enhancements to create or strengthen diversity, equity and inclusion aspects of the specific project or the applicant's general business practices.

## **12. CONFIDENTIALITY**

A grant applicant may identify as confidential trade secrets and financial statements that are directly related to the proposal and that are submitted to or reviewed by Metro. The applicant must prominently mark any information that it claims confidential with the mark "CONFIDENTIAL" prior to submittal to Metro. Metro will treat as confidential financial statements and trade secrets so marked to the extent allowed under Oregon law. Metro will make a good faith effort not to disclose the information unless Metro's refusal to disclose would be contrary to applicable Oregon law, including, without limitation, ORS Chapter 192.