



Memo

Date: Thursday, March 11, 2021
To: Committee on Racial Equity
From: Suzanne Piluso, Investment and Innovation Program Manager
Matt Korot, Program Director, Waste Prevention and Environmental Services
Subject: Investment and Innovation grants evaluation | background for Mar. 18 CORE meeting

We look forward to a discussion with CORE on March 18 about an evaluation of Metro's Investment and Innovation (I&I) grant program, specifically focusing on the program's racial equity goals. This memo provides background on the I&I grant program and summarizes key equity findings of the evaluation.

Overview of Investment and Innovation program and pilot evaluation

The Metro Council initiated the I&I program in 2018 as a three-year pilot to invest in private companies and nonprofit organizations to create, expand, preserve and broaden efforts that advance waste prevention, reuse, recycling and energy recovery in the greater Portland area, and to help foster economic opportunities and other benefits for communities of color and other historically marginalized communities. The I&I program helps Metro achieve the overarching objectives of the 2030 Regional Waste Plan by reducing the environmental impacts of products and advancing racial equity.

The I&I program goals are:

- Reduce environmental impacts throughout the product life cycle, with particular attention to reducing both the amount and toxicity of waste produced in the Metro region; and
- Advance racial equity for historically marginalized communities by sharing benefits and reducing burdens of the region's garbage and recycling system.

During the pilot Metro awarded \$8.7 million through 40 grants to private companies and nonprofit organizations, leveraging over \$18 million in grantee investments in projects across the region. The 2018 grants are complete, and the grants awarded in 2019 and 2020 are underway.

After the 2020 grants were awarded, program staff conducted an evaluation of the pilot to assess the extent to which the program is meeting its environmental and racial equity objectives. In addition to providing transparency and accountability for the work to date, the evaluation will inform the Metro Council as it determines whether to continue the program beyond the pilot phase. Program staff will present the evaluation findings and potential options for the program to the Metro Council in April, and will include input from CORE and other stakeholders.

The attached *Impact Summary* report summarizes the environmental, health and equity outcomes of the pilot.

Evaluation findings related to racial equity

The evaluation revealed the following:

Finding 1. As a whole the I&I program is advancing specific Regional Waste Plan goals and actions related to racial equity.

To varying degrees, most of the grants demonstrated direct equity impacts (or, for grants still in progress, are anticipated to once the projects are fully implemented). The equity outcomes of each grant are summarized in the attached *Racial Equity Outcomes of I&I Grants* table. The program's racial equity impacts align with Regional Waste Plan goals and actions, including:

- Increasing economic benefits for historically marginalized communities in the regional garbage and recycling system
- Increasing positive benefits and reducing negative impacts for communities of color or other historically marginalized groups
- Increasing capacity of organizations in the regional system to advance racial equity.

As examples, the program awarded approximately \$867,000 in grants to a Black-owned material recovery facility, and a total of \$464,000 to six community organizations that primarily serve communities of color or other historically marginalized groups. Several grants are supporting efforts to ensure that food is made available to individuals experiencing hunger (primarily families of color), rather than being discarded as waste. Grant funds are generating new jobs, capacity building, and professional advancement opportunities in the solid waste industry.

Finding 2. Applicant responses to the I&I program's equity objectives and criteria varied significantly, with nonprofit applicants generally demonstrating stronger equity outcomes than private companies applying for capital grants.

Notwithstanding Finding #1, I&I applicants ranged in their understanding and implementation of racial equity principles in their projects. In general, equity was a more focused priority in nonprofit grant applications, and less so in for-profit capital grant applications (with a few notable exceptions). Some applicants did not understand what Metro meant by equity in the context of the I&I program and why it matters, and on the other end of the spectrum, some applicants already had equity as a core part of their missions and practices. Many fell somewhere in the middle.

Some of the applicants, particularly for capital grants, have a long way to go to operationalizing racial equity. However, the grants helped build greater awareness of racial equity, particularly among providers of recycling services. If the program is to continue, program staff hopes to work with CORE to explore specific ways the program can further advance racial equity within the private sector.

Finding 3. The grant review committees invested significant effort in applying the program's racial equity objectives and criteria to proposals, and those equity assessments of proposals were major components of funding recommendations.

Grant proposals required applicants to articulate how their projects would demonstrate positive impacts for communities of color or other underrepresented groups, and/or advance diversity and equity in applicants' workplaces. The grant review committees engaged in meaningful deliberations to apply these criteria to each proposal, and the equity criteria were a major component of funding recommendations. The committees were reticent to fund proposals with limited or no equity

impacts, but in some cases ultimately recommended funding some of those with particularly strong environmental outcomes.

Finding 4. The program prioritized outreach to organizations beyond those working in the reuse, recycling and garbage sectors, but more could be done to encourage applications from organizations directly serving communities of color or other underserved communities.

I&I staff identified and reached out to organizations beyond the traditional players in the reuse, recycling and garbage sectors or that already work with Metro in other capacities. Particularly in the third year of the pilot, I&I staff made a special effort to leverage relationships held by other Metro staff and by local government partners to target outreach to organizations serving communities of color. As a result, the program awarded grants to organizations directly serving communities of color, including Rose Community Development, Corporation, Hygiene For All and Professional Business Development Group. The grants are building new relationships and trust. In the future, additional work would need to be done to create the conditions for more organizations focused directly on improving conditions for underserved communities to apply for an I&I grant.

For CORE's discussion

At the March 18 meeting we will give a short presentation to provide additional details and examples of the program's racial equity approach, successes and challenges. We would welcome input from CORE on the following question:

How well is the program meeting the I&I program's goal of advancing racial equity for historically marginalized communities by sharing benefits and reducing burdens of the region's garbage and recycling system?

After the meeting we will provide the Metro Council with a summary of the discussion, in advance of a Council work session on this topic in April.

Attachments:

- I&I Evaluation Impact Summary report
- Table: Racial Equity Outcomes of I&I Grants