



Metro Solid Waste Innovation and Investment Program Proposal

Property and Environmental Services Department

October 2017

Program Objectives

To create a Metro program that effectively invests public resources to:

1. Create, expand, preserve, and diversify efforts that advance waste prevention, reuse, recycling, and energy recovery in the Metro region
2. Advance diversity, equity, and inclusion in the solid waste system

Program Rationale

Metro has broad legal authority, from the Metro Charter, the Oregon Constitution, and Oregon statutes, for planning, managing and overseeing the regional solid waste system. In 1987, the Metro Council designated solid waste as an area appropriate for a functional plan, recognizing the complexity of managing this system across two dozen cities and portions of three counties, over a million residents, thousands of businesses and many solid waste service providers. This system also has a complex mix of responsibilities in service provision, with Metro, local governments, privately-owned solid waste facilities, and privately-owned haulers all having a role. In addition, privately-owned non-solid waste businesses utilize the region's recyclables to make new products and non-profit organizations assume the bulk of responsibilities for fostering the reuse of discarded materials.

Because of the complexity and multiple parties in the solid waste system, at times the system may not fully meet all the public's needs because of challenges of making levels of investment necessary to meet all those public benefits. This program is intended to help fill gaps in financing necessary for the system to provide additional waste reduction services that may introduce financial or technological risks.

In addition, to implement Metro's *Strategic plan to advance racial equity, diversity and inclusion*, the Property and Environmental Services Department (PES) seeks to eliminate barriers and generate positive benefits for communities that advance racial equity, diversity, and inclusion through its roles in solid waste reduction, regulation, management, planning and policy. This Innovation and Investment Program can be a tool to help achieve the PES desired outcomes of:

- Creating economic opportunities, including quality jobs, career entry and advancement, and contract and business opportunities in the solid waste system
- Providing programs and services equitably, eliminating barriers to increased participation by historically underserved, marginalized, low-income communities, and communities of color
- Minimizing negative impacts from the region's solid waste system
- Generating positive community benefits from the region's solid waste system

Program Overview

Eligibility

Eligible Applicants:

- Must be for-profit businesses or non-profit organizations involved in waste prevention, reuse, recycling, energy recovery or other management of the Metro region's discards
- Must be in compliance and in good standing with federal, state, regional, and local licensing, permits, and taxes, including, but not limited to environmental, zoning, labor, and transportation laws

Eligible Projects must:

- Be located within the Metro regional boundary, or have a significant direct impact to the management of solid waste in the region
- Prevent waste, reuse products, recycle materials, and/or reduce the environmental and negative health impacts of products

Funding

Types of Funding

For the first year of the program there would be two Innovation and Investment grant products:

- General Innovation and Investment Grants from \$10,000 to \$50,000 each
- Capital Innovation and Investment Grants from \$50,000 to \$500,000 each

After the first year, Metro will assess whether to continue both products or modify the types and amounts of funding.

Total Funding and Source

Up to \$3 million per year from the Solid Waste Reserve Fund

Program Duration

Three-year initial program, with annual assessments on the types and amounts of funding. In year three, staff will evaluate the program and Council will determine whether to continue.

Desired Projects

The focus of the program is to encourage the private and non-profit sectors to innovate in the ways they approach, interact, and invest in the regional solid waste system. The grant program will seek projects that are consistent with the goals and objectives of the forthcoming Regional Waste Plan, as well as with Metro's racial equity strategy.

First year grant products:

- General Innovation and Investment Grants – The funding parameters are broad to allow the private and non-profit sectors the chance to propose innovative projects that might be missing from the region's traditional solid waste operations. Depending on the scope of the application and the grant agreement, Metro funding could support personnel, operations, or equipment costs.

- Capital Innovation and Investment Grants – This funding is directed towards larger capital investments. Expenses could include equipment, machinery, capital improvements, and the related design, shipping, and installation costs.

Because the intent of this program is to fund projects that focus on waste prevention, reuse, recycling, energy recovery and the overall reduction of the environmental and health impacts of products, Metro will consider projects that relate to the disposal of solid waste only if they significantly advance Metro’s diversity, equity, and inclusion objectives of:

- Creating economic opportunities, including quality jobs, career entry and advancement, and contract and business opportunities in the solid waste system
- Providing programs and services equitably, eliminating barriers to increased participation by historically underserved, marginalized, low-income communities and communities of color
- Minimizing negative impacts from the region’s solid waste system
- Generating positive community benefits from the region’s solid waste system

Criteria for Evaluating Applicants

The criteria for the two grant products will be similar, with slight modifications based on the grant’s focus.

Metro will assess the quality of the overall project plan, how well it is thought out and if there is a detailed budget, good business plan, and enough experience available to put the plan in place. It will evaluate whether the proposed project meets an infrastructure or market need in the region, has a positive waste reduction or other environmental impact, and includes opportunities for the advancement of Metro’s diversity, equity, and inclusion goals.

The Capital Innovation and Investment Grants may include an additional criterion that gives priority to applications that address a specific identified need in the region. Metro will identify the nature of a priority focus area annually prior to the grant funding cycle.

Application Process

Prior to the beginning of a grant cycle, Metro will determine the total amount of funds available, the funding vehicle, number of funding products, and the maximum amount for any single grant. Metro will issue a Request for Grant Applications, including information on who may apply for funding, the funding priorities, match requirements, activities eligible for funding, and other information that will help applicants plan their project and submit a competitive application.

For the first year of funding:

- The General Innovation and Investment Grant product will have no defined due date within the fiscal year. This will be a rolling program and Metro will consider applications every three months as long as funds are still available.
- The Capital Innovation and Investment Grant product will be considered in a competitive process, with applications accepted during a defined time period.

Selection Process

- Metro staff will screen applications for completeness and required eligibility components.

- Staff will forward screened applications to a selection committee chaired by the PES Resource Conservation and Recycling Program Director. The selection committee will consist of 6-8 members. The committee will be a mix of public employees working in and outside of solid waste (Metro, local government, or state), citizen representative(s), and representative(s) of historically underrepresented or underserved communities.
- The selection committee will score the applications based on the published criteria.
- The committee will forward its recommendations to the Property and Environmental Services (PES) Director for approval.
- The Metro Chief Operating Officer (COO) will issue a Seven-Day Notice, which is to be modeled after Metro's Transit-Oriented Development (TOD) Seven-Day Notice. The Council will then have seven days from issuance of the Notice to request that the COO schedule a Council briefing and/or bring the matter forward for formal Council action. The decision becomes final after seven days if no Councilor(s) requests that the intended grants be presented to the full Metro Council for review. The Metro Council may approve the grant, deny the grant or, send it back to the COO for reconsideration.

Program Administration

Based on the experience of other Metro grant programs, the Innovation and Investment program will require a one full-time equivalent staff person to administer, as well as support from a manager and administrative employees. Staffing will need to be in place at least 3 months prior to the program's availability to the public. A number of forms, procedures, and processes will need to be created to smoothly implement the program.