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**SUSTAINABILITY INNOVATION FUND – SOLID WASTE**

Effective Date: June 27, 2014

Approved By: GVS&amp;DD Board

**Policy No. FN-004**

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**PURPOSE**

The Policy is designed to ensure that the Solid Waste Sustainability Innovation (Fund) is used to support projects of the solid waste utility that will contribute to the region's sustainability and that it is managed in an effective, transparent, and accountable manner.

**FUND HISTORY**

At its October 29, 2004 meeting the Board approved the creation of the Solid Waste Sustainability Innovation Fund that would be "dedicated to funding projects based on the principles of sustainability." In 2005, an amount equal to the GST rebate to the solid waste utility in that year (\$1,612,000) was transferred to the Fund. Since that time the same amount has been transferred annually to the Fund. With accrued interest, the balance in the Fund, as of December 31, 2013, is \$18.1 million.

**DEFINITIONS****Sustainability**

Adapting the concept of sustainability as defined by Metro Vancouver's Sustainability Framework for the purposes of this Fund, a sustainability project would need to:

- Have regard for both local and global consequences and long term impacts
- Recognize and reflect the interconnectedness and interdependence of systems
- Be collaborative

In addition, sustainability projects will make a contribution to:

- Protecting and enhancing the natural environment
- Providing for ongoing prosperity
- Building community capacity and social cohesion.

**POLICY****FUND CRITERIA**

The Fund will be used to support projects and initiatives of the regional solid waste utility that contribute to the realization of the region's sustainability objectives as captured in the *Integrated Solid Waste and Resource Management Plan* and the Board Strategic Plan. These include projects and initiatives that:

## BOARD POLICY

- Are consistent with the portfolio of responsibilities of the solid waste function within Metro Vancouver;
- Contribute to the sustainability of the regional solid waste infrastructure, facilities and/or operations;
- Support resource conservation, organizational climate change and energy objectives, integrated resource recovery, and water research.
- Demonstrate innovation; and
- Facilitate action.

Since facilitating innovation is important, pilot and demonstration projects will be considered.

### PROCEDURE

The following procedures will be applied by the GVS&DD in the implementation of this Policy.

### Fund Management

- The annual transfer of \$1,612,000 to the Fund will continue.
- The total amount dispersed from the Fund in any year is at the discretion of the GVS&DD Board and will depend on the merit of the proposals submitted.
- The Fund will continue to be included in Metro Vancouver reserves and will be managed similar to other reserve funds.

### Annual Evaluation and Decision-Making Process

- The Fund will be used to support the following types of projects:
  - “Opportunity projects” in the capital project planning process. Opportunity projects refer to initiatives that contribute to the realization of the goals of the *Integrated Solid Waste and Resource Management Plan* and Board Strategic Plan but are not actions required by provincial and federal government legislation. Generally, opportunity projects benefit from a demonstration or pilot project stage or require a payback period that is longer than normally considered in the capital planning process at Metro Vancouver.
  - Innovative projects that are outside the solid waste management water core functions that address cross-cutting organizational objectives (e.g., climate change and energy, integrated resource recovery, and sustainable practices.)
  - Public engagement and education programs designed to change behaviour or otherwise involve residents and businesses in the realization of the goals of the *Integrated Solid Waste and Resource Management Plan* or the Board Strategic Plan.
- Projects proposed may come from staff led planning processes or from the Zero Waste Committee who can direct staff to evaluate a project or initiative and to prepare a proposal for consideration.

## BOARD POLICY

- Proposals will be supported by a triple-bottom line business case and a short memo describing the alignment with the goals of the *Integrated Solid Waste and Resource Management Plan* and the Board Strategic Plan and specifying the measurable contributions to the region's sustainability (e.g., reductions in greenhouse gas emissions, conversion to renewable energy sources, cleaner air or water, or improvements in ecosystem health).
- Funding for projects can be applied to the capital or operating budget and may cover the costs of outside consultants or Metro Vancouver staff required to see the project successfully completed.
- There is not a ceiling on amount provided to an individual project or initiative but will be dependent on the merit of the proposal submitted, alignment with the Fund objectives and the Fund balance.
- Decisions on the dispersal of funds from the Solid Waste Sustainability Innovation Fund will be incorporated into the budget process. The Zero Waste Committee will receive a report on recommendations on the proposals considered for funding and implications of these recommendations on the Fund's balance.
- The Zero Waste Committee will provide its recommendations to the GVS&DD Board which will make the final decision on projects to be funded.

### **Reporting on the Fund's Contributions to Regional Sustainability**

- On annual basis the Zero Waste Committee will receive a report on the projects supported by the Fund including the deliverables, outcomes, and the measurable benefits of these projects to the region's sustainability

### **Application**

Only projects of the regional solid waste utility are eligible to receive funding from the Solid Waste Sustainability Innovation Fund.

Decisions on the spending of funds from the Solid Waste Sustainability innovation Fund will be incorporated into the budget process. Staff will provide the Zero Waste Committee a report on proposals considered for funding, including a summary of the respective business case and the anticipated contributions to regional sustainability of each proposal. Based on this information, the Committee will make recommendations to the GVS&DD Board who will make the final decision on projects to be funded.