

# **Circular Food Innovators Fund**

## Application Guidelines

2024

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**ABOUT THIS GUIDE:** This guidance document was developed to provide instructions on how to apply to the City of Toronto’s Circular Food Innovators Fund. Please read the guidelines to ensure your organization and project are eligible for funding.

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## 1. Fund Overview

### 1.1 Background

As part of the [Long Term Waste Management Strategy](#), the City of Toronto (the City) is working towards an aspirational goal of zero waste and a circular economy. The circular economy aims to reduce waste and maximize resources by moving away from the linear take-make-and-dispose approach to a more circular system that focuses on product longevity, renewability, reuse and repair as well as resource recovery and regeneration.

The City is also working to develop a [Reduction Strategy](#). The primary goal of the Reduction Strategy is to reduce the use and disposal of single-use and takeaway items. The Reduction Strategy is a vital component of Toronto's overall circular economy transition and a key pathway to sustainable consumption.

Working toward a circular economy is not a goal that the City can achieve on its own. This transformation will require participation and innovation from all participants in the economy. The business community can play a critical role by providing the products and services that people need to make sustainable consumption choices and participate in a more circular economy.

### 1.2 Purpose

The City of Toronto is introducing the Circular Food Innovators Fund (Fund) to support local small businesses (both for-profit and not-for-profit) in the delivery of projects that will make progress toward eliminating single-use and takeaway items in Toronto and achieving a more circular food system.

### 1.3 Objectives

Beginning in 2024, Phase One of the Fund will support businesses in implementing reuse systems that replace single-use and takeaway items. Proposed projects must implement a new reuse system, or demonstrably enhance an existing reuse system, to be eligible for funding.

### 1.4 Reuse System Definition

For the purpose of the Circular Food Innovators Fund, a reuse system is:

*A business model in which reusable foodservice ware, provided to customers by a business for the delivery or takeaway consumption of food, is collected, cleaned and redistributed back for reuse by the business.*

Reusable foodservice ware includes plates, bowls, cups, trays, glasses, straws, stirrers, condiment cups and utensils that are made of durable materials to stand up to frequent washing and reuse.

A reuse system can be operated by a service provider or can be operated by a business selling food for delivery or takeaway consumption. A reuse system may include not only the reusable foodservice ware itself, but also the infrastructure, such as collection bins and cleaning facilities, and support technology, such as mobile applications to coordinate reverse logistics of reusable foodservice ware or barcode tracking systems for the reusable foodservice ware.

## 1.5 Funding

### Available Funding

The City will consider grant **funding requests starting at \$5,000 and up to a maximum of \$35,000**. A maximum of \$250,000 of total grant funding is available under Phase One of the Fund.

#### *For-profit applicants*

For-profit applicants may be funded up to 75 per cent of the total costs of the proposed project to a maximum grant of \$35,000. For-profit applicants must demonstrate an ability to contribute at least 25 per cent of the total project costs through a combination of financial and/or in-kind contributions. In-kind contributions to the project budget must be essential to the proposed project. The City has discretion to reject a proposed in-kind contribution to the project budget. Examples of eligible in-kind contributions could include the donation of office space or equipment essential to the project. Funding will be disbursed to successful applicants at the conclusion of the project when a final report (including receipts for expenditures) is submitted and accepted as complete by the City.

#### *Not-for-profit applicants*

Not-for-profit applicants may be funded up to 100 per cent of the total costs of the proposed project to a maximum grant of \$35,000. 50 per cent of the total grant will be awarded to the successful applicant following the submission of signed Funding Agreement with the City at the outset of the project. The final 50 per cent of the grant funds will be disbursed at the conclusion of the project when a final report (including receipts for expenditures) is submitted and accepted as complete by the City.

### Limitations

The City will not guarantee that the total amount requested by a successful applicant will be granted. The decision to fund all or part of an applicant's request will depend on its alignment with City of Toronto strategic priorities, assessment criteria, and overall demand for funds in the Fund, among other considerations.

Where the total cost of the proposed project exceeds \$35,000, the applicant will be required to provide information on the other sources of funding that they have secured to implement the project. In this scenario, other funding sources must be confirmed at the time of the application. The Fund is one-time, project-specific funding and must not be considered an annual source of funding.

## Funding Term

Funds for each project will be allocated for activities that take place within a term of approximately one-year, from May 2024 to May 2025. Eligible expenses must be incurred within this time period.

### 1.6 Key Dates

Stage	Key Dates (2024-2025)
Information sessions hosted by the City of Toronto (online)	January 25, 2024
	February 13, 2024
Application submission <b>deadline</b>	February 27, 2024 at 11:59 p.m.
Notification to applicants	April 2024
Funding Agreement signing and project initiation	May 2024
Not-for-profits receive initial 50% of funding	Following completion of Funding Agreement with the City
Interim report <b>deadline</b>	Six months after project starts
Projects complete	12 months after project starts
Final report <b>deadline</b>	13 months after project starts
Final payment for both for- and not-for-profits	Before December 31, 2025

*\* Dates subject to change*

## 2. Eligibility

### 2.1 Eligible Projects

Proposed projects must implement a new reuse system, or demonstrably enhance an existing reuse system, that enables the elimination of single-use and takeaway items in Toronto and helps achieve a more circular food system for Toronto residents and businesses.

The goal of the Fund is to support businesses to implement projects that will increase the uptake of reuse systems in the food sector within one year. As such, projects are eligible if they deploy market-ready solutions, or solutions that are already in-market. The City will not be funding projects that involve research and development or prototyping, or that are primarily about education and outreach initiatives.

Eligible projects may deploy reuse systems:

- where food or beverages are being provided for takeaway consumption, which may include food distributed by vendors at public markets and events;
- where food or beverages are being provided for delivery, which may include catering services

Projects must adhere to all applicable federal, provincial and municipal laws. Projects must not rely on use of and/or access to City facilities, equipment, infrastructure or City staff knowledge and expertise. If any approvals and/or permits are required to

implement the project, these must be obtained before any funds are provided. The City will not assist applicants in any approval or permit processes.

Priority will be given to projects that:

- Propose an innovative or unique solution
- Include multiple organizations that plan to work together to implement the project
- Deliver additional community benefits related to the food system
- Include sustainment plans to keep the project running after the grant term has finished
- Have a well-defined approach for promotion to encourage participation in the reuse system

## 2.2 Ineligible Projects

Ineligible projects include:

- Solutions that are pre-market, including ideation, prototyping, and proof of concept stages of development
- End-of-life management of organic waste at the household level
- Compostable, biodegradable, or recyclable products positioned as alternatives to plastic single-use and takeaway items ([learn more](#))
- Research and development
- Scientific studies
- Consumer education
- Solutions already approved for funding from another City of Toronto funding/grant programs in same year of funding
- Lobbying or advocacy on behalf of for-profit entities
- Engaging in a partisan political activity, including political advocacy campaigns
- Unproven technologies

## 2.3 Eligible Applicants

The following applicants are eligible for funding:

- For-profit businesses, including business-to-business and business-to-consumer organizations
- Registered charitable and not-for-profit organizations, including Business Improvement Areas and academic institutions

Applicants must meet the following criteria to receive funding:

- The applicant must be a business that provides at least one of the following services, or a Business Improvement Area or academic institution that is working with a business that provides at least one of the following services:
  - food and beverage products for takeaway consumption, which may include food distributed by vendors at public markets and events; or
  - food and beverage products for delivery, which may include catering services; or
  - reuse system infrastructure for food businesses.
- The business must be a small business (i.e., less than 99 employees)

(excluding academic institutions)

- The business receiving funds must be located within the boundaries of Toronto
- Any services funded through the Fund must take place within the boundaries of Toronto, except for services being delivered by urban off-reserve Indigenous-led organizations which may provide culturally-based programming outside the boundaries of Toronto
- For-profit businesses must provide proof of their legal name and that they are an active business
- Not-for-profit organizations must have and provide proof of legal not-for-profit or charitable status or be an urban off-reserve Indigenous-led organization
- Business Improvement Areas must indicate under which Bylaw number they are established

The City recognizes that collaboration is beneficial for a circular economy to be successful. As such, applications with collaborations between multiple organizations are encouraged. At least one partner must meet all eligibility criteria and serve as the lead applicant. If successful, the lead applicant will be required to take on all roles and responsibilities outlined in Section 5: Obligations of Fund Recipients, including signing a Funding Agreement with the City. Collaborative proposals should clearly define roles of each organization, including appointing one representative (i.e., the lead applicant) to whom the City will distribute funding. The parties must have their own agreement on how funding will be transferred from the representative to the collaborator(s).

The City encourages submissions from businesses owned by women, visible minorities, Indigenous peoples and people with disabilities.

## **2.4 Ineligible Applicants**

Ineligible applicants include:

- For-profit educational institutions
- Owners of a business franchise
- Building managers and property owners
- Individuals
- Resident, neighbourhood and business associations
- Community groups including youth and school groups, service clubs and parent councils
- School boards
- Grant making organizations
- Organizations allied with political parties
- Chambers of commerce

## **2.5 Eligible Expenses**

Funds can only be used for costs associated with the direct delivery of the proposed project described in the application submitted to the Fund.

Eligible costs include:

<b>Cost Type</b>	<b>Funding Limit</b>
Direct staff costs for the delivery, implementation, monitoring, and evaluation of the proposed project (e.g. salaries)	Up to a maximum of 50% of total grant value
Direct non-staff costs for purchased services from contractors and consultants for project delivery, web design, translation, communications and/or marketing campaign services for the proposed project	Up to a maximum of 15% of total grant value
Direct non-staff costs for fees/honoraria for professional skills instructors that are directly tied to proposed project's implementation	Up to a maximum of 15% of total grant value
Overhead costs directly tied to the proposed project (e.g., room/facility and event rental fees, utilities)	Up to a maximum of 15% of total grant value
Marketing costs directly tied to promoting the proposed project, including advertising and communication tools and materials (e.g., website, printing and distribution of marketing materials). Excludes "Subscription services".	Up to a maximum of 15% of total grant value
Capital costs for renovations required as part of the proposed project	Up to a maximum of 50% of total grant value
Project materials and supplies, including product inventory (e.g., reusable containers) and equipment rental or purchase (e.g., washing stations)	Up to a maximum of 100% of total grant value
Project-specific subscription services (e.g., licensing an app to support use of reusable containers)	Up to a maximum of 100% of total grant value
Stipends and local public transportation costs incurred by volunteers directly related to implementing the proposed project	Up to a maximum of 15% of total grant value

**2.6 Ineligible Expenses**

Ineligible costs include, but are not limited to:

- Any cost incurred prior to the start of the proposed project
- Expenses and equipment unrelated to the proposed project
- Any costs not directly associated with the implementation of the proposed project, including costs for regular operation of the applicant organization
- The payment of the applicant organization's staff positions or volunteer honorariums not related directly to the proposed project
- Organic waste/recycling collection services
- Event sponsorships and fund-raising activities
- Direct financial compensation for members of a Board of Directors, individuals, or families not related directly to the delivery of the proposed project
- To establish and/or fund a grant program through the proposed project
- Costs for memberships, courses, and conferences
- Any vehicle costs, including vehicle maintenance, long and short-term parking, vehicle-rental not related to the delivery of the proposed project
- Religious or political activities or proselytizing



- Deficit or debt repayment
- Purchase of real property
- Hospitality (e.g., food, refreshments, alcohol)
- Gifts

The City may amend the submitted Project Budget to remove any ineligible expenses.

### 3. Application Process

During the application period, interested parties can submit their proposed project and funding request by completing the application form on the City of Toronto website.

The application form will require the following information:

- Contact information for the applicant(s) and the organization(s) applying for funding
- Description of the proposed project, including a project plan (using template provided)
- Information about the impact your project will make and how your project will be funded, including a project budget (using template provided)
- Documentation to confirm the legal name of your organization, copies of any permits required, and declarations that your organization is eligible for funding

A Word document version of the application form is available at Toronto.ca. This document can be used as a workbook to plan out your responses before making your official submission. **Applications will only be accepted through the application form on the City of Toronto website. Word documents or submissions in any other form will not be accepted.**

Other key points:

- During the application period, the City will host two, virtual information sessions to answer questions about the Circular Food Innovators Fund.
- Applications will not be accepted after the application deadline at February 27, 2024 at 11:59 p.m.
- Incomplete applications will be disqualified.
- Applicants can only submit one application per funding round. If more than one application is submitted by the same applicant (i.e., two or more different project proposals), only the application submitted first will be considered.
- Staff will endeavour to respond to all inquiries but cannot guarantee that questions posed less than one week from the application deadline will be responded to before the deadline.
- Applicants must submit a completed application form and confirm that all information provided in the application form and related attachments is true, correct and complete, as verified by an authorized official of the organization
- If an applicant needs to revise their application after submission (i.e. revision to same project proposal previously submitted), they may do so after obtaining written permission via email from the City ([circulareconomy@toronto.ca](mailto:circulareconomy@toronto.ca)). The

revised application must be received by the submission deadline. Otherwise, the previous submission will be evaluated.

#### **4. Evaluation Process**

The decision to fund all or part of an applicant's request will depend on its alignment with City of Toronto strategic priorities, assessment criteria, and overall demand for funds in the program, among other considerations.

After the application period has closed, all applications and supporting documentation will be reviewed to ensure they meet the eligibility criteria for the Fund. Applications that pass a technical review by City of Toronto staff will then be evaluated by a Fund Review Committee. The Fund Review Committee will be comprised of City staff from a variety of City Divisions with expertise in the circular economy, the food system, local economic development and other relevant subject areas. The Fund Review Committee will use the following evaluation criteria:

##### **Program Alignment (20%)**

- The applicant provides a clear, concise and compelling project description with either demonstrated or strong potential to implement a new reuse system, or demonstrably enhance an existing reuse system.
- The applicant is proposing an innovative or unique solution
- The application includes multiple organizations that plan to work together to implement the project with clearly defined roles and responsibilities

##### **Project Impact (30%)**

- The applicant has a clear project plan that is realistic to implement within the one-year timeframe of the Fund
- The project has a high likelihood of generating significant reduction in single-use and takeaway items in Toronto
- The applicant has a well-defined approach for promotion that will enable significant participation in the reuse system that the project is aiming to implement and/or improve
- The applicant has a well-defined plan for continuing the reuse system after City funding is complete
- The project and/or organization delivers additional community benefits related to the food system

##### **Financial Feasibility (25%)**

- The applicant's proposed budget is appropriate based on the project
- The organization has sufficient funds and/or other funding sources to cover any additional project costs over and above what the City will be covering

##### **Organizational Capacity (25%)**

- The applicant has strong organizational capacity to plan and deliver their project

- The applicant demonstrates the ability to comply with the Circular Food Innovators Fund reporting guidelines (including required metrics) and related program requirements
- The applicant has a well-defined approach for identifying and mitigating potential risks to the project's completion

All applicants will be notified of final decisions. All decisions concerning eligibility and funding amounts will be final and not subject to appeal.

## **5. Obligations of Fund Recipients and Project Implementation**

### Funding Agreement

Grant recipients will be required to enter into a Funding Agreement with the City of Toronto that sets out the applicable terms and conditions that will govern use of the funds. The City will not provide funding to any recipient who refuses to enter into such an agreement. The terms of the Funding Agreement are non-negotiable.

A template Funding Agreement is publicly available on the Circular Food Innovators Fund website. If you have any questions about the Funding Agreement, please ask City staff prior to the application closing period by emailing [circulareconomy@toronto.ca](mailto:circulareconomy@toronto.ca).

By entering into a Funding Agreement, successful applicants will be required to:

- Have and maintain commercial general liability insurance coverage meeting the requirements for the funding agreement (this must be secured prior to receiving funds)
- Comply with the Ontario Human Rights Code in hiring practices and in the provision of all services
- Comply with relevant federal, provincial and municipal laws and regulations including Accessibility for Ontarians with Disabilities Act, 2005, as amended
- The organization must not be or have not been indebted to the City or be in default of the terms and conditions of any agreement (including any previous grant/funding agreement) with any division, agency, board or commission of the City of Toronto
- Review and sign the Declaration of Compliance with Anti-Harassment/Discrimination Legislation & City Policy form. The City of Toronto will not fund applicants that discriminate or whose actions limit the legal rights of people, in any way.

### Receiving Funding

Successful applicants will implement their projects over a one-year time frame after signing the Funding Agreement with the City.

50% of the award funds will be provided to not-for-profit organizations after the Funding Agreement is finalized. The rest of the funds will be disbursed to not-for-profit organizations at the conclusion of the project when a final report (including receipts for expenditures) is submitted and accepted as complete by the City.

For-profit organizations will only receive funds at the conclusion of the project when a final report (including receipts for expenditures) is submitted and accepted as complete by the City.

The City will only provide funding for eligible expenses. Any ineligible expenses incurred during the implementation of the project will not be reimbursed by the City.

### Reporting

Funded organizations are required to submit an interim and final report to receive the balance of funds. Recipients will be provided with standardized reporting templates. In addition, if required, the City may interview funded organizations to support information/data collection. Reports will be used to document interim progress and final progress that the recipient has made on their project with the funds provided, including any lessons learned. Where possible, lessons learned will be shared with relevant stakeholders, including other grant recipients. Grant recipients will also be required to track and report on certain metrics to demonstrate the impact of the funded project.

The reporting templates are provided on the City's website, so applicants can see what will be required of them, including the specific metrics the City will ask for.

Grant recipients will be required to provide receipts and/or other financial information to verify moneys spent. To maintain transparency and accountability, the City will publicly disclose the names of organizations that received funds, recipient Ward and funding amounts.

### Site Visits

If applicable, site visits will be scheduled with each of the grant recipients shortly after the interim reports are received and reviewed by the City. Site visits are an opportunity for fund recipients to showcase their solution and any progress made with funding thus far.

If the fund recipient does not have a physical location, or if that location is not easily accessible, City staff may coordinate a meeting at Toronto City Hall (100 Queen St. W., Toronto, ON) where fund recipients would present their product/solution to City staff.

### Photographs/Videos

City staff and/or the City's photographer or external vendor may take photos/videos of the funded projects throughout the funding term, in particular during the site visits. City staff will ensure disclosure/consent is obtained and documented by anyone captured prior to photos/videos being taken.

Funding recipients will also be asked to provide photos or video documentation of their project activities and grant the City a license to use them.

For the City to be able to use any photograph(s)/video(s), careful attention is paid to concerns of copyright and consent. To address both concerns, funding recipients are required to complete the City's Multimedia Consent Form, which will be provided to funding recipients.

### Acknowledgement of Funding

Recipients must acknowledge the financial assistance provided by the City of Toronto in any and all public communications about the program. The Funding Agreement provides more details how to appropriately acknowledge the City of Toronto and provides information on the use of City logo.

### Repayment of Funds

The City of Toronto may request the return of Circular Food Innovators Fund funding for a variety of reasons outlined in the Funding Agreement, including if:

- the project is not complete within the allowable timeframe
- funds were not used for the stated purpose of the approved project
- funds were not used for eligible expenses
- an organization fails to submit their interim or final reports.

## **6. Contact**

For questions, comments or concerns regarding the Circular Food Innovators Fund, contact [circulareconomy@toronto.ca](mailto:circulareconomy@toronto.ca)