



NEXTCYCLE
WASHINGTON

Circular Funding Resource Guide



Introduction: The Role of Catalytic Capital in Advancing the Circular Economy

NextCycle Washington is designed to support the growth of for-profit and non-profit mission-driven businesses and programs that will expand or strengthen Washington's **circular economy**. This includes activities related to waste prevention, reuse, repair, recycling, and/or organics management. By nurturing these projects, the program helps support a more circular economy by reducing waste generation, keeping materials in use longer, and regenerating natural systems. These projects also support a just transition by prioritizing and investing in communities that have historically experienced disproportionate burdens or are underserved.

An important aspect of the NextCycle Washington program is connecting participants to the catalytic capital that can propel them to the next stage of their growth. This guide is intended to help entrepreneurs and organizational leaders understand the spectrum of funding opportunities available, choose an approach that is suited to their mission, stage of development, and product, service, or program, and prepare successful funding pitches and applications. The guide includes basic descriptions of common funding types, some tips for success, and a set of funder profiles. The guide highlights engaged funders who have prioritized organizations or programs that are closely aligned with the goals and principles of NextCycle and its participants.

The guide includes basic descriptions of common funding types, some tips for success, and a set of funder profiles. The guide highlights engaged funders who have prioritized organizations or programs that are closely aligned with the goals and principles of NextCycle and its participants.

NEXTCYCLE GUIDING PRINCIPLES

1. **Circularity and Waste Diversion** – divert material from landfill or incineration while capturing value in a circular economy.
2. **Decarbonization** – reduce lifecycle greenhouse gas emissions associated with materials and products by keeping materials and products in use longer and reducing impacts related to resource extraction and production.
3. **Just transition** – share power to provide equitable economic opportunities and access to services while avoiding environmental risks in overburdened and underserved communities.

CATALYTIC CAPITAL

is “patient, risk-tolerant, concessionary, and is flexible in ways that differ from conventional investments” and “is an essential tool to bridge capital gaps and achieve breadth and depth of impact, while complementing conventional investing.”

(Adapted from the Ellen MacArthur Foundation, ellenmacarthurfoundation.org 6/29/23)

CIRCULAR ECONOMY

is an economic system that is designed to benefit business, society, and the environment. It is regenerative by design, and aims to decouple growth from the consumption of finite resources.

(Adapted from the Ellen MacArthur Foundation, ellenmacarthurfoundation.org 6/29/23)

JUST TRANSITION

is a process for changing toward a more sustainable and healthy economy that does not cost workers or community residents their health, environment, jobs, or economic assets.

Adapted from the Just Transition Alliance, jtalliance.org 6/29/23)

How to Use This Guide

The guide is split into two main sections: an overview of the funding landscape and a collection of funder profiles. Additional resources are included in the appendices.

FUNDING LANDSCAPE

This section provides a starting point for developing clarity and understanding of the basic concepts and language associated with investments in both for-profit and non-profit ventures. This includes the following five attributes that define a funder's approach:

1. Funding instrument – the tools used by funders including grants, loans, or equity investments (see definition below).
2. Funding stage – the level of maturity of a business or organization and associated funding opportunities.
3. Impact spectrum - the range of expected “returns” for a funder, from purely financial to purely social or environmental and everywhere in between.
4. Mission focus – the specific impact area that a funder is seeking to support, such as climate, social equity, waste reduction, or reducing the impact of a specific material, like plastic.
5. Organizational focus – the type of entity targeted by a funder.

FUNDER PROFILES

The second section of this guide profiles 21 funders whose funding goals align with one or more of NextCycle Washington's core principles. These funders have a track record of supporting the types of businesses and projects that come through the program. Each profile uses the five attributes listed above for easy reference based on the characteristics of a given venture. The profile includes a description of the funding organization and funding approach, a list of the most common funding instruments, examples of circular enterprises within their portfolios, how to start engaging with them, and additional support that they may provide.

Funding Landscape

This section offers a “Funding 101” guide for readers to develop a basic understanding of some of the core principles and terms used in the community of funders.

Funding Instruments

Businesses and non-profits often need a source of funding that can help them reach a point where they have stable source of income. For businesses, this income is usually from the sales of products and services. Non-profits may supplement earned income from programs and services with a stable base of donations and grants. This guide will focus on the three most common types of funding available to businesses and non-profits which may not yet have much, or any, revenue:

1. Grants – no expectation of financial return, in some cases an in-kind match may be required.
2. Loans – an expectation of repayment, typically with interest.
3. Equity – funds provided in exchange for a percentage of ownership.

Businesses and non-profits may also look for financial support through individual donors, sponsorships, and crowdfunding. These funding sources are not included in this guide but may be covered in future reports.

GRANTS OR PHILANTHROPIC GIFTS

Grants can be provided by government agencies, philanthropic organizations (or individuals), and private sector entities. Grants are most commonly available for non-profit organizations, however, there are some grant programs available to for-profit businesses, particularly related to economic development in an emerging industry or in circumstances requiring economic stimulus. There are several grant programs available in Washington related to circular economy, climate action, and community development activities.

Grants are typically used to support activities that would not be sustained through market forces alone. The expected return on the investment is exclusively impact related. There is a level of administration and reporting of non-financial outcomes that are not typical for loans and equity investment.

The majority of philanthropic grants through foundations are only available to federally recognized non-profit charitable organizations due to tax regulations. Some public sector grants are available to non-profits or for-profit enterprises, including the NextCycle Renew Seed Grant Program, the King County Re+ Circular Economy Grant program and the Washington Department of Commerce Industrial Symbiosis Grant Program.

NON-PROFIT/CHARITABLE ORGANIZATION

There are several types of non-profit organizations. This report uses “non-profit” to refer to federally recognized “501(c)3” charitable organizations, state registered non-profits, and community-based organizations operating under fiscal sponsorship of a federally recognized non-profit. Non-profit organizations do not pay income tax because they provide other social and community benefits as the core purpose of the organization.

LOANS

Loans are typically provided by financial institutions such as a bank, credit unions, or Community Development Financial Institutions (CDFIs). Traditional loans require proof of revenue streams over at least two years and some type of collateral. This generally makes it difficult for startup businesses and non-profits to qualify.

EQUITY

In simple terms, an equity investment is the purchase of a stake in a company. Equity investments are often relied on by startup businesses that do not have existing revenue streams or sufficient collateral to qualify for loans. These are “riskier” investments and equity investors are typically looking for big returns, generally realized through an “exit” or sale of the company. They are typically interested in businesses that have strong intellectual property (IP), large growth potential, and a well-respected and experienced team. Equity investments are often made by:

Angel Investors

High-net-worth individuals that invest alone or collectively with a group of angels. They typically use a convertible note, which is like a loan but can be converted to a percentage of the business once it has gone through a valuation process.

Venture Capital (VC)

Managed fund invested based on a “funding thesis,” which predefines the type of venture they are seeking to invest in. VC funds typically target a specific niche or industry. VC may use a convertible note or a direct ownership percentage in the company. They typically hold less than 50% of a company’s shares.

Private Equity

Managed funds with capital from high-net-worth individuals, firms, or large institutions such as pension funds. Private equity typically acquires majority to 100% ownership of mature companies to streamline operations and increase revenue. This investor would be interesting to firms nearing an “exit” (see Exit Stage, below).

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Organizations that provide financial services in low-income communities and to people who lack access to financing.

CDFIfund.gov 6/29/23

VALUATION

The process of determining the worth of an asset or a company. Valuation is important because it provides prospective buyers with an idea of how much they should pay... and prospective sellers how much they should sell for.

Investopedia.com 6/29/23

ANGEL INVESTORS

are individuals who are looking to put their own money into good ideas at their earliest stages of becoming a successful business.

Investopedia.com 6/26/23

VENTURE CAPITAL

is a form of private equity and a type of financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential.

Investopedia.com 6/26/23

Organizational Growth and Funding Stage

Funding options can be significantly different, depending on the type of organization, its long-term vision, and its stage of growth or level of maturity. More specifically, funders structure their funding offerings to meet common needs that businesses and non-profits face as they move from an idea to a mature operation. Funders often target specific stages as a part of their strategy and mission. Matching the stage of a business or non-profit with the funders' targeted stage is an important step to identifying the appropriate funding pathway. For-profit and non-profit organizations tend to progress through different stages of growth and maturity over time.

FOR-PROFIT STARTUP

Any new business might consider itself a "startup." However, in the realm of small business finance, the "startup" term is often used to describe businesses created with a vision for rapid expansion to reach a significant scale of impact. These startups follow a general trajectory by moving through common stages of growth. Each stage requires an infusion of capital. Other small businesses are addressed below.

INITIAL PUBLIC OFFERING (IPO)

refers to the process of offering shares of a private corporation to the public... for the first time. An IPO allows a company to raise equity capital from public investors.
(Investopedia.com 6/29/23)

MEZZANINE FINANCING

is a hybrid of debt and equity financing that gives the lender the right to convert the debt to an equity investment in the company in case of a default.
Investopedia.com 6/26/23



Validation stage (Pre-Seed)

- The focus is on proof of concept with funding amounts ranging from \$10,000-\$300,000 to support validation of the idea.
- This is often self-funded or funded through friends and family or grants.

Seed Funding (Startup)

- The focus is bringing a product to market with funding amounts of up to \$3 million to establish operations and support first sales into a core market.
- This stage is often funded by grants, venture capital, angel investors, crowdfunding, and/or non-traditional loans.

Early Stage and Series A Funding

- The focus is on significant revenue growth with funding amounts in the \$2 million - \$15 million range to support expanded operations, significant hiring, branding, and marketing.

- This stage can be funded by angel investors, venture capital and/or bank loans, private equity, or in some rare cases an initial public offering (IPO).
- The focus is on selling equity in the company and is often the point when founders, venture capital, and angel investors experience a return on their investments.

Growth Stage and Series B Funding

- The focus is large-scale expansion to new markets. Funding amounts from \$15 million - \$30 million to support significant hiring, expanded operations, and large capital projects such as building new facilities.
- This stage is often funded by later-stage **venture capital**, bank loans, or **mezzanine funding** which is a type of loan that can convert to equity in case of a default.

Mature Stage, Exit Stage, and Conventional Funding

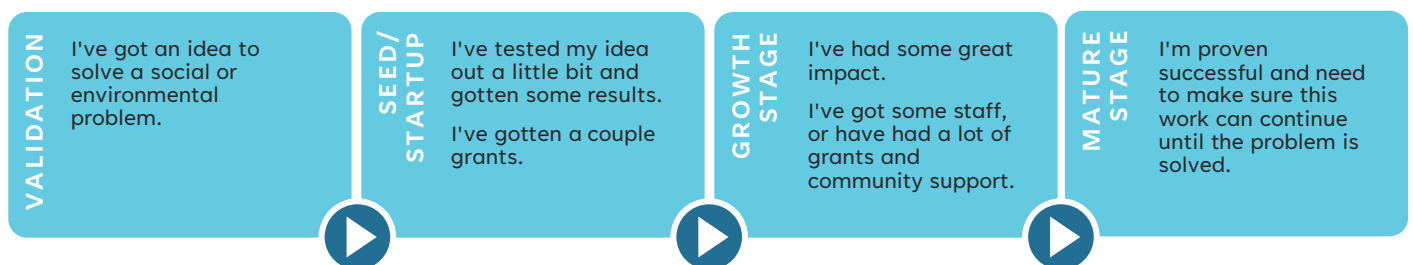
- Companies that are mature and growing organically likely will rely on earned revenue and/or conventional loans.
- Closing, selling, merging or otherwise exiting or closing a business can require funding. For some startups, this is the ultimate goal.
- Mature and exit stage funding are not the focus of this guide.

FOR-PROFIT SMALL BUSINESS

Not all businesses follow these funding stages. Many small businesses, including many operating in the circular economy, are geared towards a “lifestyle” model. These businesses intend to reach a level of maturity that provides a desired standard of living for the owner and employees while pursuing a personal passion, a driving mission, or employing a personal skill set. Such businesses are typically started through self-funding (savings or credit cards), contributions by family and friends, or, in some cases, grants. These businesses typically become financially stable through earned revenue and grow organically. Debt may be used to manage cash flow and finance equipment and/or construction. Venture capital organizations are not likely to fund this kind of business, but many of the grant and loan opportunities in this guide could be of value to a small business.

NON-PROFIT STAGES

Non-profit organizations follow an entirely different path of organizational development and growth. They are most frequently started by an individual or small group with an interest in solving a problem and are more motivated by delivering community benefits than by earning profit. Non-profits are typically started with self-funding or in-kind efforts from the founders and their immediate communities of family and friends. From there they move on to grant funding, and in more mature stages, may create permanent **endowments** or develop membership communities that make recurring contributions.



Validation/Idea Stage

- Focus on proof of concept.
- Often self-funded or funded through family and friends, crowdsourced, or gifts.

Startup Stage

- Programs or services have shown value/impact/results.
- Regular staff employed.
- Sufficient outcomes and track record to apply for grants.
- Often supported by a small number of funders with strong knowledge of the organization and trust in leadership.

Growth Stage:

- Strong results and outcomes with a growing impact.
- Begin establishing organizational structure and governance.
- Experienced staff with specialized skills.
- Often funded by multiple grants supporting specific projects or outcomes. May also begin to have revenue streams, membership programs, significant donor support, or investments in endowments for future stability.

Mature

- Consistent and robust results.
- Highly skilled staff and accomplished leadership.
- Well-defined organizational structure, culture, and operations.
- Often funded by a large diverse set of grants, philanthropy, and donors. Revenue streams, membership programs, and endowment programs are robust and consistent, if applicable.

Impact Spectrum

Every investor has a funding strategy, sometimes referred to as a funding thesis, which defines their priorities and guides decisions about how they invest or make loans or grants. Their strategy defines the “return” that these funders hope to receive from their investments.

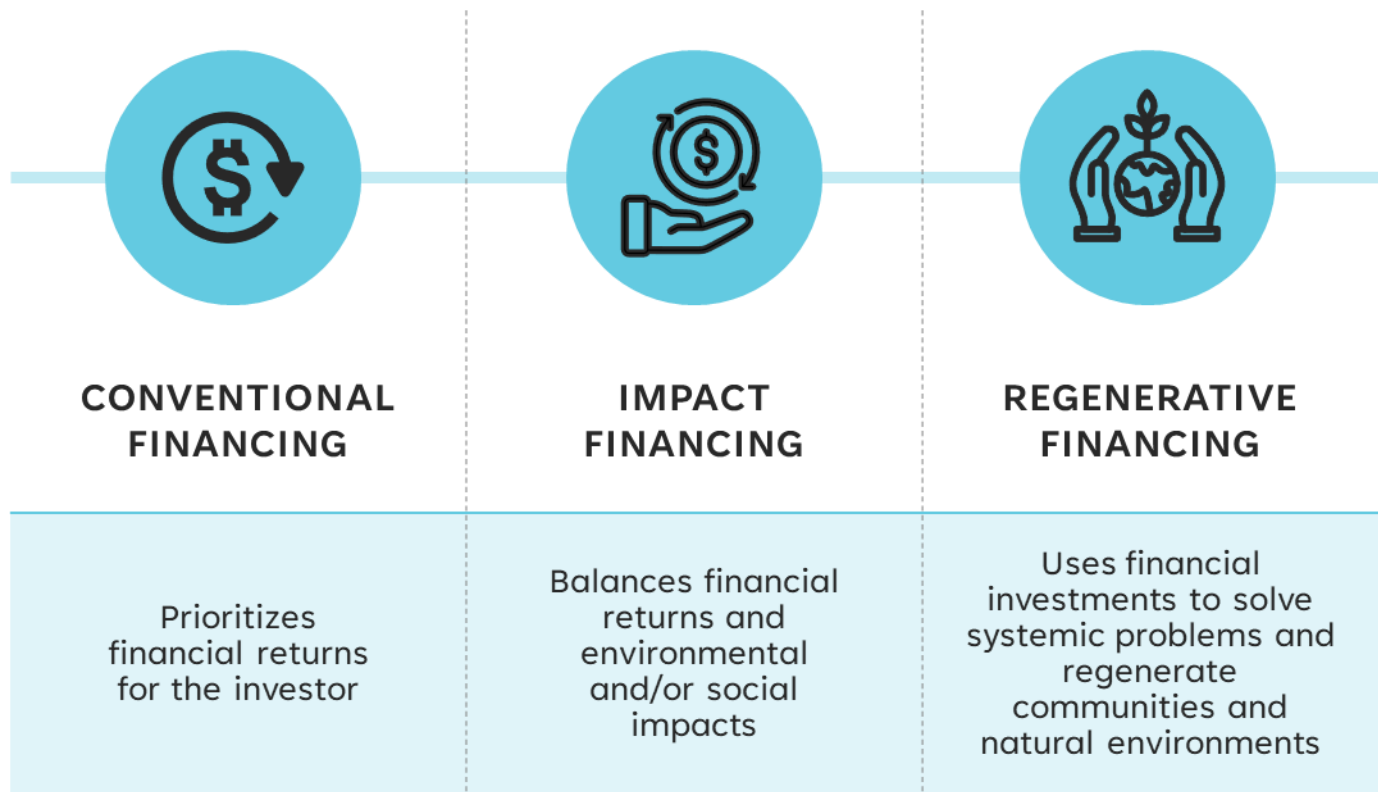
Conventional investment focuses solely on financial returns. This focus can help to hone a very sharp business strategy. However, such a narrow focus on profit often masks or ignores any associated social or environmental costs of operating a business and contributes to the concentration of both wealth and power.

More recently, in response to a growing chorus of institutional, shareholder, and consumer demands for the consideration of social and/or environmental outcomes, many funders now target a range of financial and impact-related returns. Many funders today, and some of those highlighted in this guide, offer a more balanced approach, that considers financial performance as well as other outcomes.

ENDOWMENTS

are investible assets, like money or property, owned by a non-profit. The growth or income from the endowment can be used to help fund non-profit operations.

The following graphic presents a spectrum of returns and categorizes investors' funding strategies based on the extent to which they prioritize financial returns relative to other types of impact. Nearly every funder in this guide is seeking some form of impact other than, or in addition to, financial returns, and each one is categorized as offering either conventional, impact, or regenerative financing.



Organizational Focus

The funders presented in this guide share common areas of impact that align with the values represented by the NextCycle Washington program and, in turn, the program's businesses and organization partners. These relevant impact areas include:

- **Circular Economy** – explicitly targeting businesses and projects related to the circular economy.
- **Community Development** – focus on community development in general, which can include community-based projects related to the circular economy.
- **Racial Equity and Social Justice** – emphasis on providing support to historically marginalized groups.
- **Climate and Clean Tech** – solutions that have a positive impact on greenhouse gas reduction or more generally, the environment. Most circular efforts fit within this category.
- **Food and Agriculture** – this sector is the most significant source of waste on a tonnage basis. Circular efforts focused on food rescue or food waste recovery often fit into this category.

There are funders that focus on many other areas that could be of interest to NextCycle Washington teams, such as materials engineering, litter, or air or water quality. Given the broad range of work that can potentially be included in the transition toward a more circular economy, it was necessary to narrow the field to those funders with missions that are most closely aligned with the work of NextCycle Washington.



Racial Equity and Social Justice

Emphasis on providing support to historically marginalized groups.



Circular Economy

Explicitly targeting businesses and projects related to the circular economy.



Food and Agriculture

This sector is the most significant source of waste on a tonnage basis. Circular efforts focused on food rescue or food waste recovery often fit into this category.



Climate and Clean Tech

Solutions that have a positive impact on greenhouse gas reduction or more generally, the environment. Most circular efforts fit within this category.



Community Development

Focus on community development in general, which can include community-based projects related to the circular economy.

Preparing for Funding: The Pitch

Some funding, for businesses and non-profits, comes through networking and begins through informal channels rather than through any kind of application process. This is particularly the case with angel investors, venture capital, and large donors. Making the right connection can yield big donations or open doors to angel investment. When you're looking for funding, have your pitch ready. You likely won't walk away with funding after an initial pitch. The goal is to provide enough information to build excitement and lead to future meetings where more details can be discussed.

PITCHING POTENTIAL INVESTORS OR PHILANTHROPISTS

- Know your audience as well as possible. What are their interests and motivations, what have they supported in the past that has gone well (or not).
- Create a concise, compelling elevator pitch (30 seconds) that intrigues your audience and briefly tells your story.
- Be ready to describe how yours is the best solution to a problem. Know the market/context and understand the potential scalability of your business or solution.
- Be ready to discuss your model, including revenue streams, costs, pricing, and the path to profitability, success, or financial stability.
- Know your competition and its strengths and weaknesses.
- Know your team and be ready to describe why they are positioned to succeed.
- Practice, practice, practice!

Preparing for Funding: The Application

Once an organization has identified the funding instruments and funding sources that are a good fit, it's time to start thinking about how to successfully engage that funder. Depending on the funder, this could be a very informal process of networking or a very formalized application process. This section provides some tips for success when applying for grants or loans. Most grants and loans are

made through formal application and approval processes. The following tips can help even the most experienced grant writer.

GRANT WRITING TIPS

- Read any guiding documentation or requirements closely. In some cases, an applicant can be eliminated for failing to complete a simple step in the process.
- Be thorough and respond to all requirements of the application. Pay attention to eligibility requirements, including organization type and geographic location. You don't want to waste time applying for something you are not eligible for.
- Be realistic about your budget and consider drafting a budget or any other financial information before completing other steps of the application process.
- Be familiar with the evaluation criteria and make sure that your responses address expectations.
- Be clear and concise about your uses of funding and intended outcomes and align them closely with the purpose and the mission of the funder or funding source. If this is too hard, this grant might not be a good fit.
- Have a friend or colleague proofread your application. Is your project described in terms that reflect the goals of the grant? Is it easy to understand? Is it impactful? Read it again from the perspective of the funder.
- Focus on the solutions. A funder who is making money available for your project already knows a lot about the problem you are trying to solve. What they are interested in is how your solution is going to work. This is especially important for grant applications.
- Demonstrate that you have the organizational capacity to deliver the project on time and within budget. If the grant is for organizational development, be clear about how the grant will be used, and that you are ready for growth. Refer to past experiences to predict future success.
- Show partnership and community engagement, especially where there might be a shared connection to the funder or the funders' interest area. Give them evidence that you have community validation.

Preparing for Funding: Loan Screening

Those seeking loans should be prepared to answer the following questions. The extent to which they can frame their business or project in a light that meets what a lender is looking for will improve the likelihood of getting a loan approved. This list is adapted from profiled lender Craft3’s loan readiness toolkit¹.

EXAMPLE SCREENING FOR LOAN APPLICANTS

Question:	What a lender is looking for:
What is your business / organization?	<ul style="list-style-type: none"> • Strong idea with potential customers. • How long has it been in existence? • Description of ownership structure.
How does it make money?	<ul style="list-style-type: none"> • Describe what is sold (good or service). • What is needed for revenue to exceed costs?
What kind of experience do you have?	<ul style="list-style-type: none"> • Relevant experience. • Past accomplishments.
What do you need a loan for?	<ul style="list-style-type: none"> • How the money will be spent. • How will it improve your business/org.
How much are you putting into the business, program, or project?	<ul style="list-style-type: none"> • Commitment and confidence in business. • Ability to weather unexpected challenges.
How will you repay the loan?	<ul style="list-style-type: none"> • Clear path to success. • Historical / projected profits. • Available collateral.
Supporting documents	<ul style="list-style-type: none"> • 2-year personal and business tax returns. • 2-year financial statements (balance sheet/profit loss) – or 24-month projection (for a new entity). • Business plan.

¹ [Getting Loan Ready Toolkit](#)

Preparing for Funding: Equity Screening

Those seeking investment venture capital funds from angel investors can prepare by reviewing the example screening approach. This is adapted from the screening approach used by profiled funder E8 Angels². In addition to some of the basic questions that you would need to answer for a loan, you should be prepared to pitch your business based on the following questions.

EXAMPLE SCREENING FOR EQUITY INVESTMENT

Question:	What an investor is looking for:
What traction have you gained to date?	<ul style="list-style-type: none"> Evidence that your idea is gaining attention or building a market. Evidence could include revenue, users/downloads, or contracts or letters of intent.
Is your plan to eventually sell the business?	<ul style="list-style-type: none"> How and when your investors will see returns, and how those returns compare to similar industry startups.
How scalable is your business model?	<ul style="list-style-type: none"> Indications that your business model will maintain or increase profitability as it grows.
What is the success record of the team?	<ul style="list-style-type: none"> A team that has proven success with startups and/or a record of excellence in desired knowledge and skill areas.
What is your competitive advantage?	<ul style="list-style-type: none"> Distinguishing factors that make your product, service, or model more attractive to customers or an ability to deliver them more cost effectively.
What is your go-to-market strategy?	<ul style="list-style-type: none"> A detailed plan for introducing your product or service to the market. It should show how you will reach customers, deliver your product or service, and mitigate potential risks.
What are the risks associated with your business model?	<ul style="list-style-type: none"> A clear-eyed assessment of the real risks and the steps you can take to address them.

² [How to Screen Startup Investments: Eight Principles.](#)

Profiles

The following pages offer profiles of funders with missions that are closely aligned with the NextCycle Washington principles.

METHODOLOGY

NextCycle Washington began compiling a list from its extended network of organizations and institutions working in the circular economy in Washington, as well as in other states with NextCycle programs (Michigan and Colorado). We further added to this list through desktop research and informal conversations with some of our closest partners who have extensive knowledge of the funding landscape. The initial list was narrowed to approximately 35 funders who:

- Appeared on initial review to have close alignment with NextCycle Washington principles.
- Fund organizations based in Washington.
- Were available for interviews or who had sufficient information available online to complete a robust profile.

After further research, several organizations were eliminated for either lack of information or alignment, and several others, such as federal agencies offering Small Business Innovation Research (SBIR) funding were combined (see the SBIR profile). The result is 21 complete profiles. The guide includes an appendix of funders that, though not a perfect fit for this guide, may be of interest to some readers of this guide.

Funder Quick Reference

FUNDER	INSTRUMENT	STAGE	FOCUS	SPECTRUM	ORGANIZATIONS FUNDED
Amazon Climate Pledge	Equity	Seed, Early	Climate	Impact	Businesses
Business Impact NW	Loans	All	Equity, Community Development	Impact	Businesses
Clean Energy Ventures	Equity	Early, Growth	Climate	Impact	Businesses
Closed Loop Partners	Equity, Loans	Validation/Seed, Growth	Climate, waste diversion	Impact	Businesses, non-profits, local governments
Communities of Opportunity	Grants	Validation, Seed, Early	Community Development	Regenerative	Businesses and non-profits
Craft3	Loans	All	Equity, Community Development, Climate	Impact	Businesses and non-profits
Elemental Exceleator	Equity	Seed/Startup	Climate, Equity	Impact	Businesses
Element8	Grants	Validation, Seed	Circular Economy, Climate	Impact	Businesses
FullCycle Energy Funds	Equity	Early, Growth, Mature	Climate	Impact	Businesses
King Conservation District	Grants, Equity	All	Food and Ag, Waste Diversion	Impact	Businesses and non-profits

Funder Quick Reference

FUNDER	INSTRUMENT	STAGE	FOCUS	SPECTRUM	ORGANIZATIONS FUNDED
Re+ (King County)	Grants	Seed/Startup, Early	Climate, Comm Development, Equity	Impact	Businesses and non-profits
ReFED Catalytic Grant Fund	Grants	Validation, Seed/Startup, Early Growth	Food and Agriculture	Impact	Businesses and non-profits
Seattle Angel Conference	Equity	Seed/Startup, Early	Clean Tech	Impact	Businesses
Seattle Public Utilities	Grants	Validation, Seed/Startup	Waste diversion, community development	Impact	Businesses and non-profits
Small Business Administration	Loans	All	Community Development	Impact	Businesses
Small Business Innovation Research Program (SBIR)	Grants	Seed/Startup, Early	All	Impact	Businesses
TechStars Seattle	Equity	Seed/Startup, Early	Climate and Clean Tech	Conventional	Businesses
VertueLab	Equity	Validation, Seed/Startup	Climate, Comm Dev, Equity	Impact	Businesses
Washington Economic Development Finance Authority (WEDFA)	Loans	Early	Community Development	Impact	Businesses and non-profits
WA Dept of Commerce	Grants, Loans, Equity	Pre-Seed, Seed/Startup, Early	Community Development	Impact	Businesses
WA Dept of Ecology	Grants	Seed/Startup, Early, Growth	Circular Economy, Climate, Equity, Community Development	Impact	Non-profits and Local government

Amazon Climate Pledge Fund

fund.theclimatepledge.com

Who Should Apply

Businesses ready to explore equity investment.

About

The Climate Pledge Fund is a \$2 billion venture capital fund supporting companies that can accelerate Amazon's path to meet The Climate Pledge's goal of net-zero carbon emissions by 2040. Investments made by the Climate Pledge Fund vary by amount and stage of the company. They range from hundreds of thousands of dollars in seed and early-stage investments to multimillion-dollar investments. The fund focuses on companies working in the areas of transportation and logistics, energy generation and storage, buildings, manufacturing materials, the circular economy, and food and agriculture. Since its creation in 2020, it has invested in 22 companies. The Fund has also committed to investing \$50 million companies founded by women.

Relevant Funding Details

Businesses interested in the Climate Pledge Fund should complete the contact form on the Fund's website. There are no published deadlines or funding criteria. Have your written pitch ready!

Examples from Portfolio

- [Brimstone](#) – Carbon-negative cement.
- [Genesis](#) – Biodegradable plastics from waste.
- [Redwood Materials](#) – Lithium battery recycling.

Additional Resources

The climate pledge fund team works to connect portfolio companies with Amazon's broader suite of resources and experts who can lend their expertise to help the companies scale. Once a recipient receives funding, they will be connected with the portfolio success team to determine how Amazon's resources and expertise can help the company and its technology scale for success.

Source: Website accessed May 2023



FUNDING INSTRUMENT
\$



STAGE
Seed
Early
Growth



IMPACT METRICS
Climate



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Business Impact Northwest

businessimpactnw.com

Who Should Apply

For-profit small businesses in Washington, Oregon, Idaho, and Alaska.

There is a specific program focused on supporting women entrepreneurs – the [Washington Women’s Business Center](#).

Start by using the [lender navigating tool](#) to determine loan readiness followed by filling out an [application](#) to get prequalified.

About

Business Impact NW is a nonprofit Community Development Financial Institution (CDFI) founded in 1997. It is dedicated to serving [underbanked](#) entrepreneurs. The organization provides access to capital to community small businesses, with an emphasis on working with [traditionally underserved populations](#) – entrepreneurial [low/moderate income](#) earners, women, [BIPOC](#), veterans, immigrants, or members of the [LGBTQ+](#) community. Its objective is to provide financial and technical support to entrepreneurs in economically marginalized communities who would not otherwise have access to financial services. Lending guidelines are more flexible than traditional banks. The organization offers lending services in Washington State, Oregon, and Alaska.

Relevant Funding Details

- Small business loans from \$5,000-\$500,000. Average loan size \$70,000.
- Interest rates from 7.75%-9.5%.
- Funding can be used for equipment, inventory, working capital, commercial real estate, refinancing and more.
- Looking for business to contribute at least 15%-20% requested funds with enough cash flow (income) to repay debt.

Additional Resources

Business Impact NW works to lower barriers to funding by providing one on one coaching and live or on-demand classes through the loan readiness center. Technical support can help entrepreneurs navigate the available resources and/or focus on business planning. Connect with a coach by registering for support. This support is especially useful to improve initial application that is not pre-qualified.

Source: Website accessed May 2023



FUNDING INSTRUMENT
Loans



STAGE
Seed
Early
Growth
Mature



IMPACT METRICS
Jobs
DEI



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Clean Energy Ventures

cleanenergyventures.com

Who Should Apply

Must be based in North America, Europe, or Israel.

Coachable and committed to building a diverse team.

Project has a potential magnitude of GHG reduction over 2.5 gigatons between now and 2050.

Capital light.

Close to commercialization.

About

Clean Energy Ventures invests in innovative energy projects and funds disruptive, technologies and business model innovations that can reshape how energy is produced and consumed without large capital investments. Since 2005, Clean Energy Ventures has invested in over 40 climate tech startups. In addition to funding, Clean Energy Ventures provides hands-on guidance with leadership coaching, strategic marketing, IP development, and active board participation.

Relevant Funding Details

- Clean Energy Venture Group is the sister organization of Clean Energy Angel Investors.
- CEV and CEVG support in sourcing, scouting, and researching deals, and often co-invests.
- First institutional round of investment at valuations less than \$10 million to achieve superior risk-adjusted returns for investors and entrepreneurs.
- Factors considered include:
 - Size of target market
 - Strength of sustainable competitive advantage (for business to contribute at least 15%-20% requested funds with enough cash flow (income) to repay debt.)

Examples from Portfolio

- [Boston Materials](#) – Sustainable materials manufacturing.
- [Nth Cycle](#) – Battery recycling.

Additional Resources

Clean Energy Ventures predicts emissions reductions with their Simple Emissions Reduction Calculator (SERC). CEVG prefers investments with IP protection or other sustainable competition advantages.

Source: Website accessed May 2023



FUNDING INSTRUMENT
Equity



STAGE
Early Growth



IMPACT METRICS
Climate
Meaningful emissions reductions (over 2.5 gigatons between now and 2050)



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Closed Loop Partners

closedlooppartners.com

Who Should Apply

Businesses, Non-profits, and Local Governments.

About

Closed Loop Partners is a leading investment firm dedicated to the transition to the circular economy. The company is comprised of three business segments: Closed Loop Partners' capital management business; the Center for the Circular Economy; and Circular Services, leveraging a robust ecosystem to advance the circular economy at scale.

Closed Loop Partners manages venture capital, growth equity, buyout, and catalytic private credit investment strategies on behalf of global corporations, financial institutions, and family offices, with ~\$550 million under management. The firm's investments in the circular economy progress an economic model focused on a profitable and sustainable future, keeping valuable materials in circulation and reducing greenhouse gas emissions. Closed Loop Partners is based in New York City and is a registered B Corp.

Contact

closedlooppartners.com/funds/apply-for-funding

Relevant Funding Details

- Through its catalytic capital group, Closed Loop Partners has committed to providing flexible and patient financing solutions to NextCycle ventures focused on developing infrastructure and technology related to plastics and packaging. Funds typically consider projects ranging from \$1 million-\$5 million.
- Through its ventures group, Closed Loop Partners spurs innovative circular solutions across plastics and packaging, fashion and beauty, organics and supply chain technology sectors, targeting pre-seed and seed round investments.
- The funding cycle is ongoing across multiple Closed Loop Partners funds.

Examples from Portfolio

CATALYTIC CAPITAL GROUP

- [Greyparrot](#) – AI waste recognition technology.
- [Recycle Ann Arbor](#) – MRF upgrade for non-profit processor.

VENTURES GROUP

- [Algramo](#) – Smart reusable packaging dispensing system.
- [AMP Robotics](#) – AI robotic sorting of mixed recyclable.
- [Evrnu](#) – Textile fiber recycling.
- [HomeBiogas](#) – Residential and commercial biogas system.

Additional Resources

Across Closed Loop Partners' capital management business, the Center for the Circular Economy and Circular Services, our firm has built an ecosystem that connects entrepreneurs, industry experts, global consumer goods companies, technology companies, material science companies, retailers, financial institutions and municipalities, enabling collaboration toward a circular economy. Closed Loop Partners actively engages its ecosystem, working with its partners, portfolio and network to build and advance circular solutions.

Source: 2022 company overview deck; website (accessed 4/11/23); interview 5/12/23



FUNDING INSTRUMENT
Equity Capital Loans



STAGE
Pre-seed / Seed
Catalytic
Growth
Acquisition



IMPACT METRICS*
Diversion
Emissions
Economic



IMPACT SPECTRUM*
Socially Responsible
and Green Investing

*NextCycle-specific categories

**FOCUS
INVESTMENT
AREAS**



Racial Equity &
Environmental Justice



Circular
Economy



Food and
Agriculture



Climate /
Clean Tech



Community
Development

Communities Of Opportunity (Seattle Foundation)

coopartnerships.org

Who Should Apply

Innovative projects and learning-oriented projects.
Topics and themes had not yet been selected for this cycle.
General wealth initiative.
Innovative projects for Community Economic Development.

About

Communities of Opportunity is leading the transformation of King County through community-driven partnerships. COO is dedicated to overturning past disparities and to the creation of a vibrant, equitable King County. COO was created out of a collaboration between King County and the Seattle Foundation. The resulting public/private/community-based partnership has expanded over time to include a wider range of programs, including funding and resources for small businesses and non-profits. Increasing economic opportunity is a core element of COO's work.

Relevant Funding Details

- Grant opportunities available of \$10,000 to \$150,000 for 1.5-2 year projects.
- The next application period for funding is expected to open in the Fall of 2023.
- COO is especially interested in supporting organizations that think in systems, and center community economic development.

Examples from Portfolio

- [Restaurant 2 Garden](#) – Local food waste recovery.
- [Duwamish Valley Sustainability Association](#) – Biodigester.

Additional Resources

Communities of Opportunity maintains several resource lists including upcoming grant and [funding opportunities](#) and tools and other community development resources, including a [toolkit for fiscal sponsorship](#).

Source: Website accessed June 2023; Interview June 2023



FUNDING INSTRUMENT
Grants



STAGE
Validation
Seed/Startup
Early



IMPACT METRICS
Equity & Justice
Community Development



IMPACT SPECTRUM
Regenerative Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Craft3

craft3.org

Who Should Apply

Businesses and non-profits based in Washington or Oregon.

About

Craft3 is a nonprofit community development financial institution (CDFI) that uses capital, relationships and voice to support businesses, individuals and communities — especially those unable to access traditional financing. Their mission is to strengthen economic, ecological and family resilience across Washington and Oregon to build a thriving, just and empowered Pacific Northwest. Since 1994, Craft3 has provided nearly 1,000 loans to entrepreneurs of color, and indigenous-, woman-, immigrant-, and veteran-owned businesses, including several that operate within the circular economy. Craft3 specializes in working with organizations that may not be qualified for traditional financing due to past credit issues or lack of collateral. Craft3 recently defined four strategic investment areas including Small Business, Housing, Community Services and Climate Adaptation with a goal of investing \$750 million to support these considerations.

Contact

slachman@craft3.org

Relevant Funding Details

- Finance options include Business Loans, Owner-Occupied Commercial Real Estate Loans, Bridge Loans for non-profits and Construction / Equipment Loans.
- Amounts ranging from \$50,000 up to \$4 million (fixed rates – 6.5%-11.5%).
- Rates are set based on risk and mission fit. Businesses owned by entrepreneurs of color may qualify for lower rates and special terms. Rate reductions available for solar and other energy efficiency improvements.

Examples from Portfolio

- [Green Rhino Recycling](#) – Plastic reclaimer.
- [COR \(City of Roses Disposal and Recycling\)](#) – Recycling collection service.
- [White Center Food Bank](#) – Facility construction and solar installation.

Additional Resources

Craft3 has one-on-one support and reference material to support applicants, including a [loan readiness toolkit](#) and financial glossary.

Source: 2022 company overview deck; website (accessed 4/11/23); interview 5/12/23



FUNDING INSTRUMENT
Loans



STAGE
Seed
Early
Growth
Mature



IMPACT SPECTRUM
Jobs
Emissions
DEI



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Elemental Excelerator

elementalexcelerator.com

Who Should Apply

Early-stage start ups focusing in one of the impact areas.

On average, Strategy Track companies have \$164,000 annual revenue, 6 full time employees, and have raised \$2.8 million.

On average, Project Track companies have \$1.1 million annual revenue, 19 full time employees, and have raised \$12.8 million.

About

Elemental Excelerator brings more than a decade of experience across the climate sector, with an active and maturing portfolio of more than 150+ companies. Elemental fills two gaps fundamental to addressing climate change: funding projects for climate technologies in communities and embedding equity and access into climate solutions. They invest in transformative technologies to create a system change for a more resilient, equitable future.

Contact

<https://elementalexcelerator.com/get-in-touch/>

Relevant Funding Details

- Strategy Track: \$350,000 in funding and coaching focused on core growth strategy including market intelligence, sales and growth, operational scale-up, equity and access, messaging, fundraising and policy.
- Project Track: \$1 million in funding and tailored support, including expert coaching, to deploy a transformational commercial project in any global market (a majority of projects funded in the U.S.)
- Follow-on funding may be provided based on the market conditions.
- Funding is typically in the form of a simple agreement of future equity (SAFE) or convertible notes.

Examples from Portfolio

- [EVRNU](#) – cotton textile fiber recycling
- [Novoloop](#) – upcycling plastic waste for high performance materials
- [Full Cycle Bioplastics](#) – producing bioplastic polymers using food waste

Additional Resources

Elemental Excelerator is a program that combines funding and in-depth support through a 9-to-16-month cohort experience. Each year Elemental selects 15-20 companies to participate. There have been 12 cohorts to date. Activities include workshop modules and office hours. There is an application process and cohorts are selected based on a set criteria. Register on their website for updates to learn when the next application period will open.

Source: Website accessed May 2023; Interview May 2023



FUNDING INSTRUMENT
Equity



STAGE
Seed/Startup



IMPACT SPECTRUM
Emissions
DEI



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

E8 (Element 8)

e8angels.com

Who Should Apply

Businesses, Non-profits and Local Governments.

About

E8 is an organization of accredited angel investors and organizations using the power of enterprise to scale both environmental impact and investment returns. E8 has a broad view of “clean tech” that includes products and services in areas like renewable energy, green building, materials innovations and chemistry, and waste to resources, among others. E8 is located in the Pacific Northwest and welcomes pitches from seasoned founders and early-stage companies. E8 partners with other angel groups and is a member so the Angel Capital Association.

Contact

info@e8angels.com or complete contact form on website.

Relevant Funding Details

- Investment is typically equity ownership but revenue sharing and other investment models, including some types of debt, may also be considered in some cases.
- Approximately 30 investments are made each year in amounts ranging from \$500,000 to \$3 million.

Examples from Portfolio

- [Nori](#) – Carbon removal.
- [CHOMP](#) (Previously: Impact Bioenergy) – waste to energy.

Additional Resources

Selection criteria, details of the application process, and resources for preparing a pitch deck can be found on their [website](#).

Source: Website accessed May 2023; Interview May 2023



FUNDING INSTRUMENT
Equity Capital Loans



STAGE
Pre-seed / Seed
Growth
Acquisition



IMPACT SPECTRUM
Diversion
Emissions
Economic



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

FullCycle Energy Funds

fullcycle.com

Who Should Apply

Companies that have proven efficacy in real-world conditions and that can be deployed at scale.

Must demonstrate robust project pipelines with initial commercial-scale projects within first 6-12 months.

About

FullCycle is an investment firm focused on addressing the climate crisis by investing in companies that can deploy proven climate restoring technology at scale. FullCycle has a Carbon Return on Investment standard which guides their investments. Using their proprietary methodology (CROI-20) they calculate the carbon return of investments based on the warming potential of gases over the first 20 years of emissions as opposed to the traditional 100-year time period, providing more stringent metrics for measuring climate impact. To date, FullCycle has invested in five Portfolio Companies while also securing rights to invest into their project pipelines.

Relevant Funding Details

- Decarbonization Capital uniquely combines project capital for building out the pipelines of emerging sustainable infrastructure assets with the necessary corporate expansion capital to support the companies driving the deployment of these solutions:
- Corporate level investments: \$5 million-15 million
- Project level investments: \$5 million-25 million

Examples from Portfolio

- [Synova](#) – Circular plastic
- [Evrnu](#) – Textile recycling
- [BurCell Technologies](#) – Anaerobic digestion

Additional Resources

FullCycle is specifically interested in funding projects that meet their Carbon Return on Investment in the first 20 years of emissions. FullCycle emphasizes Diversity Equity and Inclusion by being a signatory of the OPIM and PRI and utilizes the frameworks to manage DEI from an investment perspective.

Source: Website accessed May 2023; Interview May 2023



FUNDING INSTRUMENT
Equity



STAGE
Early
Growth
Mature



IMPACT SPECTRUM
Carbon Return on Investment (CROI-20)



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

King Conservation District

kingcd.org

Who Should Apply

Cities, organizations, individuals with projects focused on one of their areas of support, including food rescue, composting and anaerobic digestion.

About

King Conservation District is a nonregulatory, special purpose district with a mission to promote the sustainable use of natural resources through voluntary stewardship in King County. The four focus areas are local food, healthy forests, clean water, soil health and community development. They provide grants to support the mission, which have included circular organizations focusing on food waste recovery and production of soil amendment to improve soil health for local farmers, gardeners. Grants are given to jurisdictions to fund projects within their borders. This requires organizations to work with their local government to access the funds. They have distributed over \$6.5 million since 2015

Relevant Funding Details

- [Seattle Community Partnership Grant Program](#) – Grants up to \$75,000 for community organizations. \$410,000 in total available in the 2023 cycle.
- [Member Jurisdiction Grant Program](#) – Grants up to \$170,000 (most under \$50,000 and as low as \$2,000) for projects selected by jurisdictions in King County. \$1.3 million was awarded in 2022.
- [Regional Food System Grant Program](#) – Awarded \$520,000 in 2022 with grants ranging from \$3,000 to \$50,000

Examples from Portfolio

- [Duwamish Valley Sustainability Association](#) – Community led biodigester co-located at Food Lifeline, a food rescue organization.

Additional Resources

King Conservation district works with cities and other organizations to support community gardens, urban forest canopy, and local food systems. They provide technical assistance, education and volunteer opportunities to private residents in forest management, farm conservation planning, wildfire preparedness, and streamside and shoreline enhancement.

Source: Website accessed June 2023; 2022 Annual Report, Interview June 2023



FUNDING INSTRUMENT
Grants



STAGE
Validation
Seed/Startup
Early



IMPACT METRICS
Conservation
Community Engagement



IMPACT SPECTRUM
Philanthropy

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Re+ (Zero Waste), King County, WA

kingcounty.gov

Who Should Apply

Businesses, non-profits, community-based organizations, tribal governments, colleges and universities, or self-employed individuals. Local governments may partner with eligible applicants.

About

King County, Washington, is the county government serving nearly 2 million residents in and around the Seattle metropolitan area. In 2019, the County set a goal to “eliminate the disposal of materials with economic value” by 2030, which is equivalent to reducing material sent to the landfill by 70%. The County is pursuing multiple strategies to achieve this goal, including the launch of the Re+ program. Re+ grants are intended to complement the NextCycle Washington program, further stimulating the circular economy and diverting valuable materials from landfills.

Relevant Funding Details

- The County allocates funds to the Re+ during its biennial budgeting process.
- Grants are expected to be awarded on an annual cycle, with the next round of applications to open in summer or fall of 2023.

Examples from Portfolio

- [Delivery Stork](#) – Reusable cloth diaper service
- [Ravel](#) – Textile recovery
- [South King Tool Library](#) – Tool Library

Additional Resources

- [Re+ grant and technical assistance](#) such as include Re+ City Grants for local
- King County also offers [Construction and demolition grants](#) and [commercial food waste grants](#)
- King County’s procurement rules also provide opportunities for businesses working in the circular economy.
- The [King County Office of Economic Opportunity and Creative Economy](#) supports the business that help the county achieve its policy and economic development goals (such as Zero Waste).

Source: Website accessed May 2023



FUNDING INSTRUMENT
Grants



STAGE
Seed/Startup
Early



IMPACT SPECTRUM
Equity
Diversion
Economic development



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

ReFED Catalytic Grant Fund

refed.org

Who Should Apply

Businesses and Non-profits of all sizes, based in the U.S.

ReFED seeks a diverse portfolio and values principles of DEI in its selection process.

About

ReFED launched in 2015 as a national non-profit that works across the food chain to reduce food waste through research, networking, strategy development, and leveraging of catalytic capital into data-driven solutions. The organization is grounded by a goal to reduce food waste 50% by 2030.

Their approach values collaboration, equity & inclusion, and practicality and is driven by outcomes. The ReFED Catalytic Grant Fund is designed to raise \$20 million in philanthropic funding to distribute as grants. They are interested in solutions ranging from waste prevention, rescue and end-of-life management of food scraps. The fund is designed to be catalytic to help organizations overcome system-level barriers, de-risk innovations, and solve agency problems – ultimately stimulating larger amounts of future funding from more traditional sources.

Relevant Funding Details

- Grants typically range between \$100,000 – \$250,000.
- Grants are distributed through open calls focused on a thematic issue. The first call is currently closed. Sign up for notifications on the ReFED website to receive updates on future open calls.
- To get started learn about the [selection criteria](#).

Examples from Portfolio

- Upcycled Food Association (certification program)
- Food Recovery Network (food rescue)
- Hidden Gems (product using recovered avocado pits)

Additional Resources

ReFED developed a [roadmap](#) for reducing food waste. They have a network of entrepreneurs and investors and work to facilitate deal flow between entrepreneurs and equity investors. There is an annual conference where the network gets together to share best practices and develop partnerships. ReFED publishes an annual *Deal Flow Report* that lists organizations currently seeking funding. Partner funding organizations in the [Food Waste Funder Circle](#) use the report to identify potential investments. ReFED's [Insights Engine](#) provides valuable research that can enhance a pitch. There is also an accelerator program focused on food rescue.

Source: Website accessed April 2023.



FUNDING INSTRUMENT
Grants



STAGE
Validation
Seed/Startup
Early
Growth



IMPACT SPECTRUM
Diversion
Meals Emissions



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Seattle Angel Conference

seattleangelconference.com

Who Should Apply

Businesses and Non-profits of all sizes, based in the U.S.

About

Seattle Angel Conference is a startup ecosystem. Its goal is to build stronger startups and more informed investors by providing educational resources for both investors and startup founders. They support climate tech and female entrepreneurs and have a commitment to change. Financial return is desired, but not always the main goal. more in bucket in learnings, community, like minded part, advancing something, figuring out where she's learning.

Relevant Funding Details

- Angel Conference is held twice a year, in spring and fall.
- Award amounts range from \$100,000 to \$200,000.
- Each program features a series of pitches, Q&A sessions, and investor-founder meetings. Through successive rounds, the field is reduced to finalists.
- The network and process helps founders hone their pitches and helps investors become more educated and informed about the needs of startups.

Examples from Portfolio

- [Harvest Thermal](#) – Home energy
- [Skiptek](#) - Batteries

Additional Resources

They have a unique **one-minute** [pitch screening rounds](#) that anyone can go to, as well as open coffee sessions for networking.

Source: Website accessed May 2023; Interview June 2023



FUNDING INSTRUMENT
Equity



STAGE
Seed/Startup
Early



IMPACT SPECTRUM
Technology



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Seattle Public Utilities

seattle.gov/utilities

Who Should Apply

Businesses, non-profits, and community-based organizations can all apply.

About

Seattle Public Utilities (SPU) provides water, sewer, drainage, and waste collection services and is owned by the city of Seattle. SPU and the City of Seattle, have planning goals to reduce waste. To help reach those goals, SPU offers the Waste-Free Communities Matching Grant. SPU seeks to fund projects that:

Test or expand new approaches or technologies or bring new waste prevention opportunities to the city.

Expand equitable access and participation, and reach communities that are currently excluded from waste prevention activities.

Increase equitable community benefits, especially for historically excluded communities.

Relevant Funding Details

- In recent years, there has been a total of \$200,000 available for each two-year grant cycle.
- Grant requests range from \$3,000 to \$40,000.
- There is a 25% match requirement.
- Grants are paid on a reimbursement basis.
- Funded activities must take place in the City of Seattle.

Examples from Portfolio

- [Refugee Artisan Initiative](#) – Textile reuse and community development
- [FareStart](#) – Food recovery and community development
- [The Giving Room](#) – Food banking

Source: Website accessed June 2023



FUNDING INSTRUMENT
Grants



STAGE
Validation
Seed/Startup
Early



IMPACT SPECTRUM
Waste diversion
Community development



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Small Business Administration (SBA Loans)

sba.gov

Who Should Apply

For profit business defined as Small by SBA (varies depending on industry, but typically 500 employees or less).

For start ups, must be ready to launch and begin earning revenue.

Start by going through lender match process.

About

Created in 1953, the U.S. Small Business Administration (SBA) was created to help small business owners and entrepreneurs pursue the American dream. SBA is a federal agency dedicated to supporting small business. It provides counseling, capital, and contracting expertise as a resource and voice for small businesses. SBA has a lending program administered by local lenders within a state and provides a tool and process for lender matching. The goal of the loan program is to help support development of small business that may have challenges with traditional loans - for example, if they are in business for less than two years or don't have required collateral.

Relevant Funding Details

- Loans range from \$5,000 to \$5 million, distributed by local certified lenders. Rates are slightly higher than traditional loans, but terms are longer for lower monthly payment.
- [7a loan](#) can be used for real estate, working capital, supplies/materials, establishing new business, refinancing.
- [504 loans](#) are used for construction or upgrade of facilities or equipment loans.
- [Micro loans](#) up to \$50,000 used for working capital, suppliers, inventory, equipment, etc.

Additional Resources

SBA provides a checklist to help prepare for a loan. They also provide additional educational support, including [10 steps to starting your business](#), local support through network of [Small Business Development Centers \(SBDC\)](#), volunteer mentorship through the [SCORE program](#), federal contracting instruction and match making, and export and trade assistance, in addition to other support resources.

Source: Website accessed May 2023; Webinar Raising Capital: Debt vs Equity (May 18, 2023)



FUNDING INSTRUMENT
Loans



STAGE
Seed/Startup
Early Growth
Mature



IMPACT METRICS
Jobs
Income



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Small Business Innovation Research Program (SBIR)

sba.gov

Who Should Apply

Small for-profit businesses with a new technology innovation that has validated commercialization potential but is still too early to attract conventional financing.

Must be U.S. based and U.S. owned.

About

Small Business Innovation Research grants are made through 11 federal agencies which include the Departments of Agriculture, Commerce, Defense, Education, Health and Human Services, Homeland Security, and Transportation, and the Environmental Protection Agency, NASA, and the National Science Foundation. Grants are intended to stimulate research, increase the commercialization of innovation, and foster entrepreneurship among women and socially or economically disadvantaged individuals. Each year, over \$3 billion dollars go to the SBIR program and over 5,000 grants are awarded. Many of these grants are awarded in areas of innovation related to the circular economy.

Relevant Funding Details

- The EPA is actively [seeking applications for circular economy and sustainable materials projects](#) (deadline August 23, 2023.)
- SBIR grants focus on either:
 - Concept development \$50,000-\$250,000 for 6-12 months.
 - Prototype development \$500,000 - \$1.5 million for 24 months.
- Funds typically can be used for R&D (and related equipment), salaries, travel, consulting, and even profit.
- The Small Business Administration is the central clearinghouse for SBIR information, though grants are awarded through the specific department or agency.
- Successful applicants must demonstrate competency in conducting research and commercializing technology.
- The EPA is currently seeking applications for circular economy and sustainable materials projects.

Examples from Portfolio

- [Klaw Industries](#) – Sustainable cement.
- [Olin](#) – Recycled glass for engineered soils.

Additional Resources

Small Business Technology Transfer (STTR) grants are a similar source of funding but are focused more on innovations with a public purpose (not just commercialization) and require a partnership between a businesses and an institutional partner like a non-profit research institute or a university.

Source: Website accessed May 2023



FUNDING INSTRUMENT
Grants



STAGE
Seed/Startup
Early



IMPACT METRICS
Jobs
Technology transfer
Innovation



IMPACT SPECTRUM
Conventional Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

TechStars Seattle

techstars.com/accelerators/seattle

Who Should Apply

- Sharing economy, AI solutions, tech and app development
- Preference given for Seattle-based companies
- Seeking to expand to more circular materials

About

Techstars is a global investment business and accelerator with local chapters that provide access to capital, one-on-one mentorship, a worldwide network and customized programming for early-stage entrepreneurs. They have local subsidiaries throughout the globe, including in Seattle. They provide funding and connect with fundraising opportunities, workshops, and curated resources. It's a proven model that has helped build thousands of successful companies all over the world. Circular economy is an emerging focus area and they have supported several circular economy businesses.

Relevant Funding Details

- Investment deals of \$20,000 for 6%, plus programming.
- Accelerator program is once a year, 13 weeks/3 months, up to \$120,000 in funding, and mentorship.

Examples from Portfolio

- [Synova](#) – Circular plastic.
- [Evrnu](#) – Textile recycling.
- [BurCell Technologies](#) – Anaerobic digestion.

Additional Resources

The accelerator program runs annually Oct thru January and is based on the University of Washington campus. During each three-month program, they surround companies with mentors and a network of corporate partners, investors, and alumni. There are also opportunities for peer-to-peer learning. In addition, tech starts hosts local events that are open to a broader start up community. They created and maintain the Seattle Accelerator + Incubator Directory ([click here to access](#)).

Source: Website accessed May 2023; Interview June 2023



FUNDING INSTRUMENT
Equity



STAGE
Pre-seed
Seed / Startup



IMPACT METRICS
Technical
Financial



IMPACT SPECTRUM
Conventional Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

VertueLab Climate Impact Fund

vertuelab.org

Who Should Apply

Early-stage clean tech start ups that have high potential for reducing greenhouse gas emissions

About

Started as Oregon Best in 2007 and expanded in 2018 to focus more broadly on PNW. VertueLab is a non-profit fighting climate change by providing funding and holistic entrepreneurial support to climate tech startups, which includes circular economy solutions. Through fifteen years of work, the organization has demonstrated that their approach can accelerate climate solutions while creating shared economic prosperity. In addition, VertueLab prioritizes diversity, equity and inclusion through employing an equity lens in investing.

Through its Climate Impact Funds, VertueLab has awarded over \$7 million directly to entrepreneurs and has supported many others in obtaining federal SBIR/STTR funding and other investment.

Relevant Funding Details

- The funding cycle is ongoing. Start by reviewing eligibility information, completing [application](#) and provide pitch deck. The next step would be to pitch to staff followed by in-depth due diligence.
- VertueLab uses equity or equity-like instruments like convertible notes or simple agreement for future equity (SAFE).
- Typical investments range from \$100,000-\$300,000

Examples from Portfolio

- [Renewal Workshop](#) – Textile repair
- [ReNuble](#) – growing medium made with food waste
- [Nvirovate](#) – compostable adhesive

Additional Resources

18-week Cascadia cleantech accelerator program, community building events, federal funding (SBIR/STTR) assistance, including a [video series](#) and direct support.

Source: Website accessed May 2023



FUNDING INSTRUMENT
Equity



STAGE
Validation
Seed/Startup



IMPACT METRICS
Emissions
Jobs
DEI



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Washington Economic Development Finance Authority (WEDFA)

wedfa.org

Who Should Apply

Wide range of manufacturing and waste management projects, seeking over \$3 million in loans, and who would likely qualify for conventional financing.

About

The Washington Economic Development Finance Authority is an independent unit of the Washington State government, operating with the oversight of the Governor. Its purpose is to make revenue bonds, both taxable and tax-exempt, available to businesses, especially in manufacturing, processing, and waste disposal. WEDFA's primary benefit is to be able to offer loans with lower borrowing costs than would typically be available to a business from a conventional bank.

Relevant Funding Details

- WEDFA is primarily interested in supporting projects with economic development potential. Potential projects span a wide range of infrastructure and manufacturing. Some of the most successful projects include waste management, processing (such as MRFs), and disposal.
- Successful applicants typically have previously qualified for bank loans and/or have some record of previous financing.
- To be feasible, minimum projects tend to be \$3 million - \$4 million and up to tens of millions.
- Loans are made on an annual basis. Contact WEDFA by June 1 of each year.

Examples from Portfolio

- Projects have included investments in MRFs, anaerobic digestion for RNG, and waste and recycling collection.

Additional Resources

WEDFA exists to be “pro-borrower” and to support economic development opportunities. They welcome conversations with emerging projects seeking financial support.

Source: Website accessed May 2023; Interview May 2023



FUNDING INSTRUMENT
Loans from sale of bonds



STAGE
Early



IMPACT METRICS
Jobs
State and community benefit



IMPACT SPECTRUM
Conventional Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Washington State Department of Commerce

commerce.wa.gov

Who Should Apply

SSBCI encourages applications from very small businesses and socially and economically disadvantaged businesses.

Industrial Symbiosis seeks to invest in businesses, organizations, academic institutions and local governments specifically in the beneficial reuse of industrial wastes.

About

The mission of the Department of Commerce is to strengthen communities in Washington. The Department's work includes more than 100 programs aimed at enhancing and promoting sustainable community and economic vitality, many of which could be of interest to small or emerging businesses or programs. This profile will highlight two funding programs that are closely aligned with NextCycle: the Small Business Credit Initiative (SSBCI) and the Industrial Symbiosis grant program.

Relevant Funding Details

- [The SSBCI program](#) offers loans and equity investments. Over \$160 million will be distributed over the next eight years, through five programs.
- [The Industrial Symbiosis](#) grant program provides state grants for projects that create or expand the beneficial reuse of industrial waste. \$850,000 was awarded in 2022 and will be again in 2023. The program is expected to continue in the coming years.

Examples from Portfolio

- [Impact Bioenergy](#) – biodigestion at food manufacturing plant.
- [Inland Empire Paper](#), [Qualterra](#) and Washington State University – utilization of biochar as soil amendment.

Additional Resources

Washington Department of Commerce offers a range of [small business services](#) beyond grants and financing. This includes a wide range of education and programming. Highlights include programming through [Startup Washington](#), a small business training and education program. They have developed the [Business Startup Playbook](#). Other services support [site selection](#) and a list of [shared workplaces](#), including coworking and maker spaces, accelerators, incubators and commercial kitchens.

Source: Website accessed June 2023



FUNDING INSTRUMENT

Loans
Grants
Equity



STAGE

Pre-Seed
Seed/Startup
Early



IMPACT METRICS

Community and
economic development



IMPACT SPECTRUM

Impact/Regenerative
Investing

FOCUS
INVESTMENT
AREAS



Racial Equity &
Environmental Justice



Circular
Economy



Food and
Agriculture



Climate /
Clean Tech



Community
Development

Washington State Department of Ecology

ecology.wa.gov

Who Should Apply

WRRED: Non-profits and local governments.

Public Participation: Nonprofits and individuals.

About

The Washington State Department of Ecology's (Ecology) mission is to protect, preserve, and enhance Washington's environment for current and future generations. Ecology's current strategic priorities include addressing climate change, reducing pollution and toxics, and protecting critical state waters, such as the Puget Sound and the Columbia River, which all have strong ties to better waste elimination and the circular economy. Ecology also operates the Recycling Development Center, which is focused on creating a more sustainable and cleaner recycling system for the state.

Relevant Funding Details

Ecology has several grant funding streams intended to support its strategic goals and specifically to improve the recycling systems and stimulate the circular economy in Washington. The two most relevant grant programs are the **Waste Reduction and Recycling Education grant program** (WRRED) and the **Public Participation grant program**.

- WRRED: Up to \$60,000 for two-year projects, with 25% match. Next application period expected September 2023.
- Public Participation Grants: Applications for this grant cycle recently closed and are expected to open again in 2025.

Examples from Portfolio

- [Methow Recycles](#) – Community recycling resource.
- [South King Tool Library](#) – Tool library.
- [Ragfinery/Resuse Works](#) – Textile waste diversion.

Additional Resources

Ecology offers a wide range of other grants and loans in the areas of air and climate, water and shorelines, and waste and toxics. Grants are available for a wide range of projects and types of entities. Visit Ecology's web page for a [full list of grant and loan opportunities](#).

The NextCycle program funded in part through Ecology's Recycling Development Center supports a circular economy accelerator program. For more information visit NextCycleWashington.com.

Source: Website accessed 5/12/23; Interview May 2023



FUNDING INSTRUMENT
Grants



STAGE
Early Growth



IMPACT METRICS



IMPACT SPECTRUM
Impact Investing

FOCUS INVESTMENT AREAS



Racial Equity & Environmental Justice



Circular Economy



Food and Agriculture



Climate / Clean Tech



Community Development

Additional Sources of Funding

3 x 5 Partners

Alliance of Angels

Alliance to End Plastic Waste

Allos Ventures

Amherst Fund

Arboretum Ventures

Azolla Ventures

Beringea

Braemar Energy Ventures

Circulate Capital

Clean Energy Ventures

Crown Family Philanthropies

Cultivian Sandbox

Elevate Capital

Energy Foundry

EnVest

Environmental Protection Agency Region 10

Front and Centered

Green Circle Capital Advisors

Khosla Ventures

King County Participatory Budget

Kroger Company Zero Hunger Zero Waste

Lux Capital

Mossy Ventures / Angel Conference

National Oceanic and Atmospheric Administration (NOAA)

National Science Foundation

Prelude Ventures

Prime Impact Fund

Russell Family Foundation

Seattle office of Economic Development

Starbucks

Swan Fund

The Betsy and Jesse Fink Family Foundation

The Engine

The Recycling Partnership

Tilth Alliance

U.S. Department of Energy

U.S. Department of Energy: Clean Fuels

USDA

Vancouver Economic Commission

Village Capital

Washington Department of Agriculture:

Wells Fargo Cleantech Innovation Incubator

WindSail Capital Group