LOCAL BLUE ECONOMY GROWTH FUND
A Fresh Coast Economic Corridor Program.

GREAT LAKES AND ST. LAWRENCE CITIES INITIATIVE
L'ALLIANCE DES VILLES DES GRANDS LACS ET DU SAINT-LAURENT

Local Blue Economy Growth Fund
Application Guide

About the Application Guide

The following guide has been developed to assist eligible applicants in applying for the Local Blue Economy Growth Fund. If you have questions about any of the information in this document, please contact us at lbegf@glslcities.org.

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Program Overview

Persistent and emergent pressures on water quality from extreme weather events, community growth, and legacy and emerging contaminants across the Great Lakes and St. Lawrence River Region are intensifying and outpacing the capacity of municipalities and other organizations to effectively protect infrastructure and maintain water quality.

The Great Lakes and St. Lawrence Cities Initiative / Alliance des villes des Grands Lacs et du Saint-Laurent ("Cities Initiative"), with funding from the Government of Ontario, has developed the Local Blue Economy Growth Fund Program (LBEGF). The LBEGF supports Ontario municipalities and First Nations communities that are Members of the Cities Initiative with project-based grant funding for green infrastructure, innovative water management technologies, and low impact development solutions to stormwater and wastewater management. This program lays the foundation for advancing the Cities Initiative's Economic Transformation Action Plan to build a stronger, more resilient Fresh Coast Economic Corridor.

Expected Outcomes

Projects funded by the LBEGF are expected to promote healthy lakes and rivers, reduce water pollution and improve water quality, and strengthen community climate resilience, while contributing to the growth of Ontario's freshwater blue economy through the adoption of innovative water technology solutions.

Funding Snapshot

Total funding available:	$1,000,000
Maximum funding per project:	$50,000
Minimum funding per project:	$5,000
Required matching funds:	Municipalities with populations greater than 250,000 must provide at least 20% matching funds to be eligible.
Project duration:	Intake one: Up to 16 months Intake two: Up to 11 months
Project completion:	Project completion and final reports due by 11:59 PM ET December 31, 2027.

Eligibility

Applicants must meet all the following eligibility requirements:

- Be located in Ontario
- Be a municipal government or First Nation
- Be a member in good standing of the Cities Initiative should the project be awarded

Note: Regional Affiliates and non-members (i.e., lower-tier municipalities of a county or regional municipality that is a member) can apply but must become a member of the Cities Initiative in order to receive funds should the project be awarded. If you're unsure about your organization's eligibility, contact us at lbegf@glslcities.org.

The applying organization must have primary responsibility for overseeing, managing, and delivering the project.

Important Considerations Before You Apply

First Nations communities: If you require a Band Council resolution to enter into an agreement with the Cities Initiative, a copy must be provided to the Cities Initiative prior to signing a funding agreement.

Municipal governments: If you require a by-law authorization or Municipal Council approval to enter into an agreement with the Cities Initiative, a copy of the by-law or approval must be provided to the Cities Initiative prior to signing a funding agreement.

Please consider the time it may take to acquire these approvals and authorizations to ensure that projects will be completed no later than December 31, 2027.

Eligible Projects

Proposed projects must focus on one or more of the following activities with the goal of promoting healthy lakes and rivers, improving water quality, and/or strengthening community climate resilience:

- Pollution capture and contaminant removal
- Stormwater and wastewater treatment and filtration
- Smart and innovative technology solutions for stormwater management
- Circular economy and resource recovery practices
- Nature-based and green stormwater infrastructure

Examples

Below is a non-exhaustive list of example projects. If you are unsure whether your project is eligible, please contact us at lbegf@glslcities.org.

- **Pollution capture and contaminant removal:** Catch basin inserts, oil and grit separators, sediment traps.
- **Stormwater and wastewater treatment and filtration**: Membrane filtration, membrane bioreactors, biofilters.
- **Smart and innovative technology solutions for stormwater management:** IoT sensors, digital twinning, predictive analytics and machine learning systems.
- **Circular economy and resource recovery practices:** Greywater reuse systems, nitrogen recovery systems, two-pass reverse osmosis.
- **Nature-based and green stormwater infrastructure**: Rain gardens, bioswales, infiltration trenches, green curbside systems.

Ineligible projects

Projects that focus on the following are ineligible for funding:

- Drinking water
- Community engagement
- Shoreline stewardship
- Ecosystem restoration
- Feasibility studies, monitoring only projects, discussion papers

Eligible Costs

Eligible costs are those that are reasonable, necessary, and directly related to the delivery of approved project activities. Costs are considered eligible only if they are incurred on or after the effective date of the funding agreement and no later than the date of submission of the final report.

All costs must be supported by appropriate documentation and are subject to review by the Cities Initiative. The following are considered eligible costs:

- Technology and equipment costs (for the length of the funding agreement)
- Professional and contracted services (for the length of the funding agreement)
- Staffing and personnel costs (up to 10% of the total grant amount request)
- Materials and supplies, including printing and promotional materials
- Honoraria for Indigenous Elders or community knowledge holders

Ineligible Costs

- Costs incurred prior to the effective date of the funding agreement
- Costs incurred after the submission of the final report

- Overhead and core administrative costs (e.g., rent)
- Insurance
- Capital expenses related to the purchase, construction, or betterment of tangible capital assets for use in the organization's operation on a continuous basis
- Land securement
- Clothing
- Appreciation gifts
- Honoraria other than for Indigenous Elders or community knowledge holders
- Refundable harmonized sales tax (HST)
- Legal costs (including but not limited to litigation)

Please note the above list is not exhaustive. If you are unsure about cost eligibility, contact us.

Application Process

All applicants must submit a completed application by the deadline to be considered for funding. Incomplete applications or applications submitted after the deadline will not be considered.

Application Deadlines

Call for Applications	Thu, May 7, 2026
Intake 1 - Application Deadline	5:00 PM ET Fri, Jun 19, 2026
Intake 2 - Application Deadline	5:00 PM ET Fri, Nov 27, 2026

Application Package

Each application must include the following components:

- ☐ **Application** – Information about your organization and detailed description of your project and its expected outcomes.
- ☐ **Detailed Project Work Plan** – A timeline and description of project activities.
- ☐ **Project Budget** – A detailed budget using the provided template.
- ☐ **Project Cashflow Forecast** – Forecasted amount of funds your project will need per quarter.
- ☐ **Performance Measures** – How you will track progress and measure success.

An application package has been provided with the following files:

- ☐ **LBEGF Application Questions** (DOCX) – A Word version of the application you can use to prepare your application responses.

- ☐ **LBEGF Final Application** (PDF) – The final application that must be submitted with your application package.
- ☐ **LBEGF Supporting Documents** (XLXS) – This document includes the work plan, budget, cashflow forecast and performance measures templates that must be submitted with your application package.

Download the application package at https://glslcities.org/lbegf.

The following information is recommended for inclusion in the application package as applicable, but it is not required for the application:

- Copies of approvals, permits, or permit applications needed for your project (if available at the time of submission).
- Two to three letters of support from key stakeholders, partners, or First Nations communities

Submission Method

Completed applications must be submitted via email to lbegf@glslcities.org no later than **5:00 PM ET Friday, June 19, 2026** (for Intake 1) and **5:00 PM ET Friday, November 27, 2026** (for Intake 2).

Selection and Evaluation Process

All applications will undergo a three-stage evaluation process:

1. An administrative evaluation by the Cities Initiative to ensure applications are complete and meet program eligibility requirements
2. A technical project evaluation by independent subject-matter experts and/or industry leaders to validate the issue or need and assess the scientific, technical, and practical feasibility of the project and its expected outcomes.
3. An internal project evaluation by the Cities Initiative against stated project evaluation criteria.

Applications meeting criteria emphasized with an asterisk (*) will be weighted more favourably.

1. Administrative Evaluation Criteria

- The applicant meets all eligibility criteria (i.e., applicant, project type, budget).
- The project was submitted by the application deadline.
- The application is complete.

Ineligible project applicants will be notified at the end of this stage.

2. Technical Project Evaluation

- **Technical merit and innovation (25%)**: The approach is scientifically sound and reasonable; technologies and methods proposed are novel and/or recognized as effective and feasible.
- **Sustainability and resilience (20%)**: The project will deliver long-term benefits beyond the project funding agreement term, and will be resilient to climate, operational, and/or environmental changes.
- **Risk management (15%)**: Potential technical or environmental risks have been identified and appropriate mitigation solutions proposed.
- **Monitoring and performance metrics (15%)**: The evaluation plan and performance measures are clear and sufficient to demonstrate the desired outcomes will be achieved.
- **Environmental and economic impact and benefits (25%)**: The project is expected to be effective at improving water quality, managing stormwater, building community climate resilience, and/or generating economic development opportunities.

3. Internal Application Evaluation

Eligible project applications will be assessed on the extent to which they meet the following criteria:

Alignment with LBEGF goals and objectives (30%)

- The project fits clearly within one or more of the key project areas
- The project aims to achieve the LBEGF's expected outcomes
- The project involves collaboration and engagement with multiple stakeholders, organizations, and/or industry leaders based in Canada*****
- The applicant demonstrates the approach, technology, or solution has not been implemented by their organization in the past (i.e., the solution is novel) and that funding has made this project possible*

Project feasibility, readiness, and likelihood of success (35%)

- The project's objectives are realistic and technically feasible
- The expected outputs and outcomes are achievable within the proposed timeline and budget
- The project workplan is reasonable and sufficiently detailed
- The necessary approvals, authorizations, and/or permits have been identified and/or secured

- The applicant and its partners (if applicable) demonstrate the necessary experience, staff capacity, expertise, and management structure to effectively implement the project

Budget, resource efficiency, and value for money (15%)

- The budget is reasonable, sufficient, and aligned with the detailed workplan
- The project budget includes cash or in-kind support from other contributors*****
- Projects in communities with populations over 250,000 demonstrate at least 20% matching funds
- The project clearly demonstrates why the funding is needed for the project to take place

Environmental and Economic Outcomes (20%)

- The project clearly addresses an identified local water quality and/or climate resilience challenge
- Implementation of the project will lead to local economic development opportunities (e.g., job creation, new private sector investment)
- The application contains letters of intent or letters of support or other evidence that demonstrates Ontario-based firms, small-to-medium enterprises (1-499 paid employees), and/or organizations are partners in the project*

Notification

All applicants will be notified by email of the status of their application. We will strive to notify applicants within 60-80 days after the application deadline. Successful applicants will be contacted to negotiate a funding agreement, which will outline the terms and conditions of the project funding.

Agreement and Payment

Successful applicants will be required to enter into a funding agreement with the Cities Initiative before funding is allocated. Project implementation should not begin until both parties have finalized the funding agreement. The funding agreement will set out the terms and conditions of the funding, consistent with the following:

- Successful applicants will be required to submit certificates of insurance to confirm coverage in accordance with the terms of the funding agreement.
- Successful applicants will need to attest that they are in good standing with tax, labour, and environmental laws.

- The date to submit final reports and financial documentation is **11:59 PM ET December 31, 2027**.

Payment Schedule

Projects under $10,000	Upon signing the funding agreement, the amount will be issued in full minus a 10% holdback. The final payment will be made following the completion of the project and the submission of the final report.
Projects over $10,000	Payments will be dispersed based on cashflow needs and the completion of reporting milestones set out in the agreement. A 10% holdback will be applied to all projects in this category. The final payment will be made following the completion of the project and the submission of the final report.

Reporting Requirements

All funding recipients will be required to submit reports to the Cities Initiative throughout the duration of the project as outlined in the funding agreement. A final report upon completion of the project must be submitted no later than **11:59 PM ET December 31, 2027**.

Recognition Requirements

Following the finalization of the funding agreement with the Cities Initiative and subject to approval of the Cities Initiative and the Ministry of Environment, Conservation and Parks, successful applicants will be required to acknowledgement the receipt of financial assistance and support from the Cities Initiative and the Government of Ontario, in the form of media releases, social media posts, signage and/or other media.

Public communications about the project will be embargoed until the agreement has been signed with the Cities Initiative and further direction and approval has been provided from the Cities Initiative.

Virtual Information Sessions

The Cities Initiative will hold two (2) virtual information sessions, one for each application intake, to help eligible applicants prepare for upcoming application deadlines. These virtual information sessions will include details about the program, the funding available, the eligible project types and costs, and tools and guidance on preparing a strong application. If you cannot attend, recordings will be made available and answers to common questions will be shared.

Intake 1 - Information Session	2:00 PM ET Thu, May 28, 2026	**Register**
Intake 2 - Information Session	2:00 PM ET Thu, Oct 8, 2026	**Register**

Office Hours

The Ontario Program Manager for the Cities Initiative, Calantha Elsby, will host drop-in office hours for eligible applicants seeking support with their applications. Applicants will be able to book a 15-minute time slot to discuss their project and receive guidance on their application. → **Book your office hours timeslot**.

Key Dates

Call for Applications	Thu, May 7, 2026
Intake 1 - Virtual Information Session	Thu, May 28, 2026
Intake 1 - Application Deadline	5:00 PM ET Fri, Jun 19, 2026
Intake 2 - Virtual Information Session	Thu, Oct 8, 2026
Intake 2 - Application Deadline	5:00 PM ET Fri, Nov 27, 2026
Project Completion and Final Report Submission	11:59 PM ET Dec 31, 2027

Contact Information

If you have any questions, contact Calantha Elsby, Ontario Program Manager, at lbegf@glslcities.org.