

REQUEST FOR APPROVAL

To: **Howard Levenson**
Deputy Director, Materials Management and Local Assistance Division

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: July 1, 2014

Decision Subject: Eligibility Criteria and Evaluation Process for the Tire-Derived Product Grant Program (Tire Recycling Management Fund, FYs 2014/15 and 2015/16)

Action By: July 15, 2014

Summary of Request:

This memo seeks approval of the proposed eligibility criteria and evaluation process for the Tire-Derived Product (TDP) Grant Program for FYs 2014/15 and 2015/16.

Staff proposes to conduct the FYs 2014/15 and 2015/16 grant cycles using the same application process, applicant eligibility, project eligibility, and evaluation process as was used in the FY 2012/13 cycle (there was not a FY 2013/14 cycle).

Recommendation:

Staff recommends approval of the proposed eligibility criteria and evaluation process for the TDP Grant Program for FYs 2014/15 and 2015/16.

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby approve the eligibility criteria and evaluation process for the Tire-Derived Product Grant Program for Fiscal Years 2014/15 and 2015/16.

Dated: 7/15/14



Howard Levenson
Deputy Director

Background and Analysis

Statutory Authority

CalRecycle receives an annual appropriation from the California Tire Recycling Management Fund (Tire Fund) to administer the California Tire Recycling Act, Senate Bill 937 (Vuich, Chapter 35, Statutes of 1990) (Public Resources Code [PRC] Sections 42860 et seq.). PRC Sections 42872 and 42873 allows for the awarding and funding of grants for activities and applications that result in

reduced landfill disposal or stockpiling of waste tires. The TDP Grant Program falls within the authority of PRC Sections 42872 and 42873.

The *Five-Year Plan for the Waste Tire Recycling Management Program (Seventh Edition Covering Fiscal Years 2013/14 – 2017/18)* allocates \$4,123,747 each for FYs 2014/15 and 2015/16 for the TDP Grant Program and the Tire Incentive Program (combined). CalRecycle has earmarked \$3,000,000 of the initial allocations in each FY for the Tire Incentive Program. Additionally, the Feedstock Conversion Technical Assistance and Material Testing Services contract will be funded from the combined TDP and Tire Incentive Program allocation, with \$300,000 and \$450,000 coming from FYs 2014/15 and 2015/16, respectively. This results in an estimated \$823,747 being initially available for FY 2014/15. This amount may be increased if additional monies become available in the Tire Recycling Management Fund in FY 2014/15 due to reallocation of unencumbered funds. In addition, these amounts may change in the next edition of the Five-Year Plan, which affects allocations starting in FY 2015/16 and which will be finalized for approval in the first quarter of 2015.

Program Background

The Tire-Derived Product (TDP) Grant Program is designed to promote markets for recycled-content products derived from California-generated waste tires and decrease the adverse environmental impacts created by unlawful disposal and stockpiling of waste tires. The TDP Program provides grants for the purchase of various tire-derived products including, but not limited to: landscape mulch or bark, playgrounds, tracks, sidewalks, sport surfacing, traffic safety products, greenways and parklet materials.

Proposed Process and Eligibility

Staff will conduct the FYs 2014/15 and 2015/16 grant cycles using the same application, review, and evaluation process as in past cycles. Staff will perform a review of all applications to determine completeness. Complete applications will be evaluated to confirm applicant and project eligibility and determine the recommended grant amount.

Eligible applicants include public entities such as:

- California cities and counties
- public school districts
- public colleges and universities
- special districts, park districts, and public recreational facilities
- state agencies (including offices, departments, bureaus, and boards)
- qualifying Indian Tribes.

The grant project must be located in California and use a minimum of 2,500 Passenger Tire Equivalents (PTE) from California-generated waste tires. Truck tire buffings are not eligible for reimbursement due to their relatively strong market demand.

The maximum grant amount is \$150,000. Reimbursement is based on the actual cost of materials, tax, and shipping, with a maximum up to \$5 per PTE.

Tentative Timeline for FYs 2014/15 and 2015/16

As shown in the table below, staff will post a Notice of Funds Available on CalRecycle’s website informing potential applicants of the funding, eligibility requirements, deadlines, and other important information. Notices will also be distributed through CalRecycle’s Local Assistance and Market Development staff to inform their local jurisdictions, the Grants Management System database, applicable [listservs](#), outreach presentations, and newsletters.

Tentative Dates		Activity
FY 2014/15	FY 2015/16	
September 2014	February/March 2015	Post Notice of Funds Available, Application, and related instructions and documents on the web site
November 2014	April/May 2015	Applications due
November – January 2015	May/June 2015	Conduct application evaluation/review process; determine funding for eligible applicants
February 2015	June/July 2015	Grant awards
March 2015	July/August 2015	Grant Agreements distributed and executed
April 1, 2017	April 1, 2018	Grant term ends

Please refer to CalRecycle’s website, <http://www.calrecycle.ca.gov/Tires/Grants/Product/default.htm>, for more information.

