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: March 7, 2016

Decision Subject: Eligibility Criteria and Evaluation Process for the Local Conservation Corps Grant Program (Beverage Container Recycling Fund, Electronic Waste and Recovery and Recycling Account, California Tire Recycling Management Fund, and California Used Oil Recycling Fund, FY 2016–17)

Action By: March 15, 2016

Summary of Request
This memo seeks approval of proposed eligibility criteria, evaluation process, and funding methodology for the Local Conservation Corps Grant Program (Program) for fiscal year (FY) 2016–17. The total funding amount is $21,757,085.

Staff proposes to conduct the FY 2016–17 grant cycle using the same eligibility criteria, evaluation process, and funding methodology process utilized effectively in FY 2015–16, except as described under *Proposed Changes* and summarized below:

1) Funds will be allocated evenly among all eligible Program applicants, except as follows: CalRecycle proposes guidelines for the FY 2016–17 cycle (Cycle 31) which would permit the Local Conservation Corps (Corps) to negotiate material fund amounts between organizations in order to maximize the effectiveness of recycling and recovery programs. A plan for negotiated distribution of funds must be approved by CalRecycle before the Award RFA is approved and published. The effectiveness of this funding methodology will be reviewed annually.

Recommendation
Staff recommends approval of the proposed eligibility criteria, evaluation process, and funding methodology for the Local Conservation Corp Grant Program for FY 2016–17.

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, evaluation process, and funding methodology for the Local Conservation Corp Grant Program for FY 2016–17.

Howard Levenson
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Deputy Director

3/15/16
Dated

Background and Analysis

Statutory Authority

Pursuant to Public Resources Code (PRC) section 14581.1(a), The Department of Resources Recycling and Recovery (CalRecycle) is authorized to expend $5,974,000 plus a cost of living adjustment (COLA) from the Beverage Container Recycling Fund (BCRF) annually in the form of grants to certified community conservation corps [hereafter referred to as Local Conservation Corps (Corps)] for beverage container recycling and litter abatement projects. Upon appropriation by the Legislature, an additional $15,000,000 is allocated from the Electronic Waste and Recovery and Recycling Account, the California Tire Recycling Management Fund, and the California Used Oil Recycling fund, pursuant to PRC section 17001(b), to fund grant projects consistent with the goals of those funds.

Program Background

The Program provides annual funding to the Corps to provide recycling services and implement litter abatement projects that collect and divert recyclable materials from landfills. Each of the 13 Corps participate in a variety of recycling projects at schools, businesses, community events, large venues, and multi-family complexes, thereby supporting achievement of the state's 75 percent solid waste recycling goal.

Historically, Program funding was allocated entirely from the BCRF. In FY 2014–15, Program funding was diversified and is currently allocated from four funds including: 1) the Beverage Container Recycling Fund, 2) the Electronic Waste Recovery and Recycling Account, 3) the California Tire Recycling Management Fund, and 4) the California Used Oil Recycling Fund.

Diversified funding enables the Corps to implement a broad variety of activities in recycling and recovery programs related to the collection and recovery of beverage containers, electronic waste, the clean-up and abatement of waste tires, and activities related to the recycling of used oil. The Corps also actively engage in diverse conservation, litter abatement, and environmental clean-up activities.

Funding

For FY 2016–17, the Governor's Proposed Budget allocates a total of $21,757,085 for the Program from the following funding sources:

- Electronic Waste Recovery and Recycling Account ($8,000,000)
- California Tire Recycling Management Fund ($5,000,000)
- California Used Oil Recycling Fund ($2,000,000)
- California Beverage Container Recycling Fund ($6,757,085)*
  **Authority for this activity is continuously appropriated and does not require Budget enactment.*

Funding is contingent upon passage of the FY 2016–17 Governor's Budget.

Proposed Process and Eligibility

Eligible applicants for this grant program are Corps that are reviewed and certified by the California Conservation Corps (CCC). The certification criteria includes a minimum of two years of operation and all other criteria of PRC section 14507.5(a). The CCC conducts annual site visits of each Corps and provides a certification review report to CalRecycle by March 31st of each fiscal year which documents the eligibility of a Corps to receive funding.

Corps will be required to submit a comprehensive budget for each respective funding source and a narrative that includes goals and objectives for activities specific to each material fund source. CalRecycle staff will conduct an initial review of all applications to confirm Corps eligibility and application completeness. Application materials will be reviewed and approved by staff prior to the execution of formal grant agreements which include Terms and Conditions and Procedures and Requirements.

1) Eligible Activities: The Corps will undertake collection and/or recycling activities related to each funding source. These activities will be identified on the application and reported during the grant term. CalRecycle staff proposes the activities listed below as eligible. Related activities not listed below must be submitted to the appropriate CalRecycle Grant Manager for prior approval.

   E-waste:
   - E-waste recycling (if permitted).
   - E-waste collection or handling.
   - Education and outreach.
   - Event labor and staff resources in partnership with local jurisdictions and businesses.
   - Surveying and research.

   Waste Tire:
   - Collection and hauling services (if permitted).
   - Clean-up and Amnesty events.
   - Education and outreach.
   - Event labor and staff resources in partnership with local jurisdictions.

   Used Oil:
   - Establishing a Certified Collection Center.
   - Certified Collection Center signage compliance.
   - Event labor and staff resources in partnership with local jurisdictions.
   - Education and outreach.

   Beverage Container Recycling:
   - Operation of recycling center.
   - Clean-up events.
   - Education and outreach.
   - Collection programs at businesses, schools, multi-family complexes, and large venues.
   - Partnerships with businesses, local jurisdictions, or government agencies to provide recycling services.

Proposed Changes

1) In FY 2015–16, the funding methodology distributed allocations from each funding source equally among 13 Corps, with a reduced amount to any newly certified Corps. For FY 2016–17, funds will be allocated evenly among all eligible Program applicants, however, CalRecycle proposes guidelines for Cycle 31 which would permit Corps to

negotiate material fund amounts between organizations in order to maximize the effectiveness of recycling and recovery programs. A plan for negotiated distribution of funds must be approved by CalRecycle before the Award RFA is approved and published. The effectiveness of this funding methodology will be reviewed annually.

Tentative Timeline for FY 2016–17

Staff will post a Notice of Funds Available (NOFA) on CalRecycle's website that includes information about funding, eligibility requirements, deadlines, and other important information. Corps will be notified electronically as soon as the NOFA is posted.

Table 2. Tentative Timeline

FY 2016–17	Activity
March 2016	Post the NOFA on the CalRecycle Website
April 2016	Applications due
June 2016	Grant awards presented at CalRecycle Public Meeting
July 2016	Grant Agreements distributed and executed
June 30, 2018	Grant term ends