

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 7, 2014~~ April 15, 2016

Decision Subject: Awards for the Local Conservation Corps Grant Program (California Beverage Container Recycling Fund, Electronic Waste Recovery and Recycling Account, California Tire Recycling Management Fund, and California Used Oil Recycling Fund, FY 2014/15)

Action By: ~~July 11, 2014~~ April 27, 2016

Summary of Request: Staff requests approval of grant awards for the Local Conservation Corps (LCC) Grant Program. The total funding available for Fiscal Year (FY) 2014/15 LCC Grants is \$20,974,000 [\$15 million plus a \$5,974,000 cost of living adjustment (COLA)]. CalRecycle awards a base allocation of \$1,567,229 to 13 corps and \$600,000 for Southern California Mountains Foundation. Staff received 14 applications requesting \$20,974,000.

Funding in the amount of \$960,256 from the Beverage Container Recycling Fund (BCRF) for San Gabriel Valley's FY 2014/15 award of \$1,567,229 was redistributed to 13 of the Local Conservation Corps in April 2016.

Recommendation: Staff recommends approval of 14 LCC grant awards as listed in Table 1 below for \$20,974,000.

Table 1: Local Conservation Corps Grant Program Award List

Local Conservation Corps Name	BCRF	E-Waste	Waste Tire	Used Oil	Total Allocation All Funding Sources
Civicorps Schools	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Conservation Corps North Bay	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Conservation Corps of Long Beach	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Fresno Local Conservation Corps Fresno County Economic Opportunities Commission	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Los Angeles Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Orange County Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Sacramento Regional Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
San Francisco Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
San Gabriel Valley Conservation Corps *	1,006,811 <u>\$46,555</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$606,973****</u>
San Joaquin Regional Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
San Jose Conservation Corps	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Sequoia Conservation Corps **	\$1,006,819 <u>\$1,080,683</u>	\$298,893	\$186,811	\$74,729	\$1,567,252 <u>\$1,641,116</u>
Southern California Mountains Foundation***	\$385,449 <u>\$459,315</u>	\$114,427	\$71,517	\$28,607	\$600,000 <u>\$673,866</u>
Urban Corps of San Diego County	\$1,006,811 <u>\$1,080,677</u>	\$298,890	\$186,806	\$74,722	\$1,567,229 <u>\$1,641,095</u>
Totals	\$13,474,000	\$4,000,000	\$2,500,000	\$1,000,000	\$20,974,000

* This award distribution is contingent upon San Gabriel Conservation Corps meeting all stipulations set forth in the Corrective Action Plan (amended June 5, 2014).

** Remaining amount of \$6 after rounding awarded based on CRV collection volumes.

*** Newly certified corps receive a base allocation of \$600,000 in the second year; see Criteria and Process section for more information.

**** Of the \$606,973 awarded, only \$46,554.00 from BCRF was expended by San Gabriel Valley Conservation Corps. The remaining BCRF amount of \$960,256 was reallocated to the remaining 13 Corps and the unspent amount of \$560,419 will revert back to each of the other funds (Electronic Waste Recovery and Recycling Account, California Tire Recycling Management Fund, and California Used Oil Recycling Fund).

Funding: The FY 2014/15 Budget Act allocates \$20,974,000 for the LCC Grant Program as shown below.

Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
California Beverage Container Recycling Fund (FY 2014/15)	\$13,474,000*	\$13,474,000	\$0	Grants
Electronic Waste Recovery and Recycling Account (FY 2014/15)	\$4,000,000	\$4,000,000	\$0	Grants
California Tire Recycling Management Fund (FY 2014/15)	\$2,500,000	\$2,500,000	\$0	Grants
California Used Oil Recycling Fund (FY 2014/15)	\$1,000,000	\$1,000,000	\$0	Grants

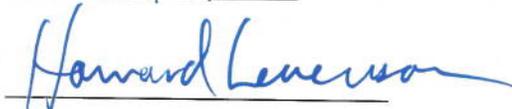
* \$7,500,000 + \$5,974,000 for cost of living adjustment (COLA)

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby conditionally approve the grant awards for the LCC Grant Program as listed in Table 1. Each proposed Grantee award is conditional upon:

1. The full payment within 60 (sixty) days of the date of this grant award of all outstanding debt(s) or scheduled payment(s) owed by the proposed Grantee to CalRecycle; and
2. The return, by the proposed Grantee, of a completed and executed Grant Agreement within 60 (sixty) days from the date that CalRecycle staff emails the Grant Agreement.

Dated: 4/27/16



Howard Levenson
Deputy Director

Background and Findings:

Statutory Authority

The Governor's Fiscal Year 2014/15 budget (and Public Resources Code section 17001, subject to section 17002) authorizes CalRecycle to diversify funding for the LCCs by expending funds from the California Beverage Container Recycling Fund (\$13,474,000), Electronic Waste Recovery and Recycling Account (\$4,000,000), California Tire Recycling Management Fund (\$2,500,000), and California Used Oil Recycling Fund (\$1,000,000) to make payments to the LCCs in order to implement recycling and litter abatement programs and programs relating to the collection and recovery of used beverage containers, oil, and electronic waste and the clean-up and abatement of waste tires.

Program Background

The purpose of the LCC Grant Program is to provide annual funding to the LCCs, which are certified by the California Conservation Corps each year, to provide recycling services and implement litter abatement projects that collect and divert recyclable materials from landfills. LCCs work closely with their local jurisdictions to maximize resources and increase recycling efforts in their communities. Currently there are 14 LCCs that participate in a variety of recycling projects at schools, businesses, community events, large venues and multi-family complexes, thereby supporting the state's 75 percent solid waste recycling goal.

Although the majority of the recycling programs conducted by the LCCs have focused on beverage container recycling due to the previous funding model (i.e., 100 percent Beverage Container Recycling Fund), the LCCs also actively engage in diverse litter abatement and clean-up activities and have gained experience in the collection of multiple recyclable materials. Given the new multi-fund basis for the LCC Grant Program, CalRecycle and the LCCs have been working cooperatively to define eligible activities for each of the four funding sources and to establish mechanisms to ensure that the funds are used appropriately.

Criteria and Process

All certified Local Conservation Corps are eligible to apply for funding each year. The Notice of Funds Availability (NOFA) was posted on the CalRecycle website on June 6, 2014. A notice was emailed on June 6, 2014, to inform all 14 certified Local Conservation Corps of the published NOFA. Applications were due June 19, 2014, and all applications were received by CalRecycle prior to the deadline.

The funding methodology allocates funds from each funding source equally among 13 of the LCCs, with a reduced amount of \$600,000 allocated to the Southern California Mountains Foundation, which was first certified in 2013. Any newly certified corps receives a base allocation of \$500,000 the first year of eligibility, \$600,000 the second year, \$700,000 in the third year, \$800,000 in the fourth year, and an equal share of the base funding in the following years.

All funding is subject to availability of funds, legislative changes, and Grantee compliance. Corps must be in good standing with CalRecycle to be eligible for grant awards (i.e., no outstanding debt that includes but is not limited to fines, penalties or audit findings, or delinquent repayment of advances due CalRecycle).

As a result of the termination of San Gabriel Valley Conservation Corps's grant, the recommended award list was revised in April 2016 to account for the redistribution of the remaining BCRF amount of San Gabriel Valley Conservation Corps's funding allocation among 13 Local Conservation Corps. The BCRF funding is continuously appropriated and is available for redistribution in FY 2015/16 however, the unspent funds from the Electronic Waste Recovery and Recycling Account, California Tire Recycling Management Fund, and California Used Oil Recycling Fund were only available for encumbrance in FY 2014/15. The redistributed BCRF funding must be spent by December 30, 2016.