

# Recycled Fiber, Plastic and Glass Grant Program – Overview

## Fiscal Year 2015-16

### Purpose

To lower overall greenhouse gas emissions by expanding existing capacity or establishing new facilities in California that reduce the amount of material landfilled by using California-generated postconsumer recycled fiber (paper, textiles, carpet, or wood), plastic, or glass to manufacture products. This is a competitive grant program.

### FY 2015-16 Proposed Changes

- **Preprocessing:** Additional requirements for preprocessing applicants
  - Project must result in diversion from landfills beyond that which the preprocessor was already diverting.
  - Preprocessor must provide proof of binding agreement with a California facility that is receiving the preprocessed feedstock to make a finished product.
  - If the manufacturer also submits an application, the expert evaluation team will need to ensure each project will result in discrete increases in tons of material diverted from landfills and GHG reductions.
- **Number of applications per primary business entity**
  - Limit to one application per primary business entity
- **Adjusting Points in Scoring Criteria**
  - Eliminate 5 points for “Application Completeness” and add 5 points to “Tonnage” (diversion) - new points would be 20
  - Deduct 5 points from Air & Water Quality Benefits and add them to Disadvantaged Communities; new points would be 5 for Air/Water and 15 for DAC
  - Top points would then be: 25 for GHG, 20 for Tons, 15 for DAC

### Eligible Applicants

- Local governments
  - Cities, counties, and cities and counties as defined in Public Resources Code section 30109.
  - Regional or local sanitation agencies, waste agencies, or Joint Powers Authorities.
- Private, for-profit entities. For purposes of this program, a “private, for-profit entity” is defined as a business intended to operate at a profit and return a profit to its owners. The business must be qualified to do business in California and in good standing with all applicable California state agencies, including, but not limited to, the Secretary of State and the Franchise Tax Board. Any and all subsidiaries, divisions or affiliated businesses are considered part of the primary business entity for the purpose of applying for and receiving a grant award under the Recycled Fiber, Plastic, and Glass Grant program.
- State agencies (including offices, departments, bureaus, and boards).
- The University of California, the California State University, or other public universities or colleges.
- Nonprofit organizations (except private schools) registered with the federal government under 501(c)3, (c)4, (c)6 or (c)10 of the Internal Revenue Code.
- Qualifying Indian Tribes. A “Qualifying Indian Tribe” is defined as an Indian tribe, band, nation or other organized group or community, residing within the borders of California, which:
  1. Is recognized for special programs and services provided by the United States to Indians because of the status of its members as Indians; or
  2. Can establish that it is a government entity and which meets the criteria of the grant program.

## **Project Requirements**

- Must be located in California and result in permanent, annual, and measurable reductions in Greenhouse Gas (GHG) emissions by manufacturing products with California-generated recycled-content fiber, plastic or glass; and
- Increases in quantity (tons) of California-generated fiber, plastic and glass materials diverted from landfills, and used to manufacture products.

## **Eligible Projects**

- Construction, renovation or expansion of facilities to increase in-state infrastructure to manufacture value-added products using California derived recycled content fiber, plastic, or glass into finished products.
- Construction, renovation, or expansion of facilities to increase in-state infrastructure for the preprocessing of fiber, plastic and glass waste when providing preprocessed materials to an in-state manufacturing facility that is using the waste to make finished products.

## **Ineligible Costs**

- Costs incurred prior to the date of the Notice to Proceed letter or after the end of the Grant Term.
- The purchase or retrofitting of vehicles or containers for collection of feedstock.
- Purchase of recycled fiber, plastic or glass feedstock.
- Costs exceeding 5 percent of the total amount requested for permitting, public education/outreach, indirect costs, and salaries not related to construction or installation.
- Design and engineering costs exceeding 5 percent of total amount requested.
- The same activities or purposes already being funded through other agencies using Greenhouse Gas Reduction Funds.
- Environmental review for project permitting, including the preparation of Environmental Impact Reports or related documents.
- Lease of land or buildings.
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
- Purchase of offsets or allowances.
- Costs deemed unreasonable or not related to the grant project by the Grant Manager.

## **Funding**

- \$5M for Recycled Fiber, Plastic, and Glass; max \$2.5 million per application

## **Coordination with Air Resources Board**

As part of project selection, monitoring, and ongoing reporting, CalRecycle will consult with Air Resources Board to ensure that the GHG emission reduction estimation methodologies are as consistent as practicable with methodologies used in other AB 32 program areas.