



Tire Incentive Program FYs 2014/15 – 2015/16

**Materials Management and
Local Assistance Division**
Calvin Young

August 19, 2014

CalRecycle 

Overview

- **TIP focus on feedstock conversion and value-added products for market development**
- **Coordinated approach:**
 - ✓ Tire Incentive Program
 - ✓ Feedstock Conversion TA and Material Testing Contract
 - ✓ Tire Outreach and Market Analysis (TOMA)
- **First cycle results:**
 - ✓ Requests: 10 applications requesting \$2.9 million
 - ✓ Approved: 7 applications for \$2.6 million
 - ✓ Increased Crumb Rubber Use: 26 million pounds, including 2 million pounds of fine (≤ 50) mesh material – Double estimated 2013 use.

Funding and Eligible Applicants

➤ **Funding:**

- ✓ FYs 2014/15 and 2015/16: \$3 million each

➤ **Grant amount:**

- ✓ \$50,000 minimum - \$500,000 maximum

➤ **Eligible applicants:**

- ✓ Manufacturers producing an eligible product
- ✓ Processors that also manufacture an eligible product
- ✓ Rubber compounders
- ✓ Manufacturers of “calendered” rubber sheeting products

Incentive Categories and Amounts

Incentive Category	Products	Incentive per pound
Existing TDP	Existing TDP	10 cents for increase in crumb rubber used
Feedstock conversion	Existing/new/improved product with $\geq 5\%$ crumb rubber	30 cents for total crumb rubber used
Fine (≤ 50) mesh	Product must use $\geq 5\%$ of ≤ 50 mesh crumb rubber	40 cents for total crumb rubber used
General Costs	General costs such as transportation, production, etc.	5 cents with a max of 25% of product incentive award

Criteria Changes

Process and eligibility unchanged except:

- **Require applicant profitability 2 of last 3 tax years.**
- **Future TIP awards (assuming program continues):**
 - ✓ May have more than 1 award outstanding at any given time
 - ✓ Priority funding for previously approved products
 - ✓ Laddering incentive award for specific TIP products: 100%, 70%, 40%
 - ✓ Future awards based on 125% of prior year actual product sales
 - ✓ Applicants that use <50% of prior will be considered after all other eligible applicants

Possible Incentive Awards

Product	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Product A	100% of incentive		70% of incentive based on 125% of prior year's actual results		40% of incentive based on 125% of prior year's actual results		
Product B		100% of incentive		70% of incentive based on 125% of prior year's actual results		40% of incentive based on 125% of prior year's actual results	

Information

➤ **For more information:**

Check out the Tire Incentive Program webpage:

<http://www.calrecycle.ca.gov/Tires/Grants/TIP/default.htm>

Make sure you receive important program information by subscribing to the TIP listserv at:

<http://www.calrecycle.ca.gov/Listservs/>

Timeline

Tentative Timeline for TIP Grant Cycles

Activity	FY 2014/15	FY 2015/16
NOFA/Application Release	October 2014	March 2015
Application Deadline	November 2014	May 2015
Grant Awards Approved	January 2015	July 2015
Grant Agreement Sent	February 2015	August 2015

Questions

Questions?

Noel Davis at (916) 341-6341

Noel.Davis@CalRecycle.ca.gov

Melissa Sanford at (916) 341-6104

Melissa.Sanford@CalRecycle.ca.gov

Calvin Young at (916) 341-6670

Calvin.Young@CalRecycle.ca.gov