



**Workshop on Proposed
CalRecycle Greenhouse Gas Reduction
Grant & Loan Programs**

February 6, 2014

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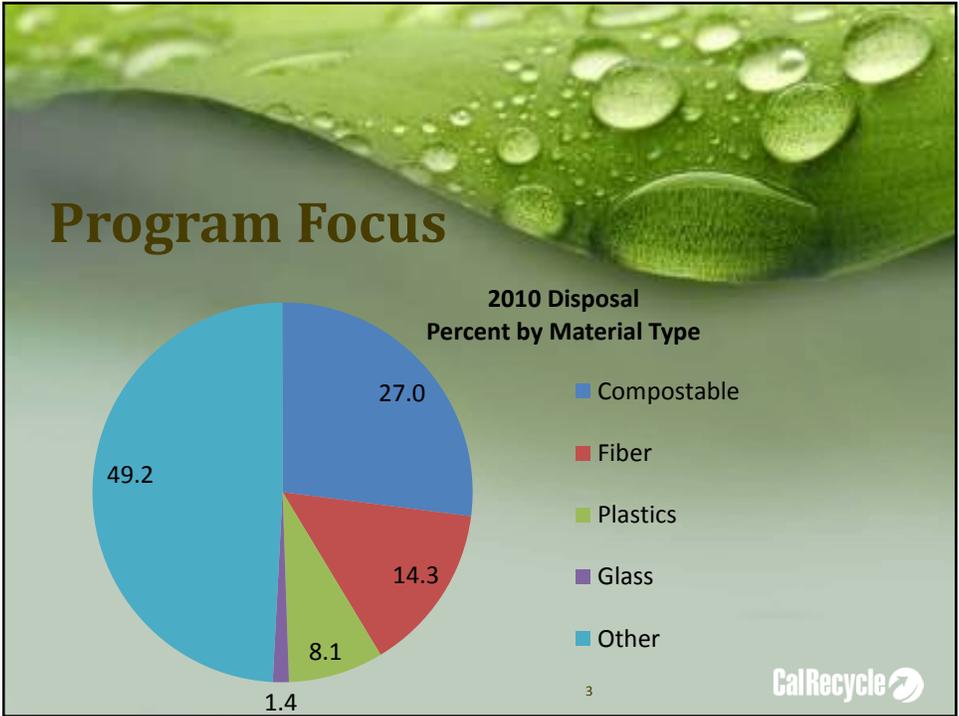


How Do I Participate?

- Webinar/Webcast (Details in Agenda)
<http://www.calrecycle.ca.gov/Actions/Documents%5c77%5c20142014%5c1039%5cWorkshop%20Agenda.pdf>
- Participating remotely? E-mail questions to:
GHGReductions@CalRecycle.ca.gov
- Provide written comments no later than February 14

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CalRecycle Grants/Loan Programs 2014 – 2015*

- Organic Grants ≈ \$15 million
- Fiber, Plastic, & Glass Grants ≈ \$5 million
- GHG Reduction Loan Program ≈ \$10 million
- All programs competitive

* Subject to Legislative Budget approval

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Scoring Criteria

- New or expanded infrastructure
- Must calculate GHG reductions
- Must reduce tons of materials disposed in landfills
- Preference for Environmentally Burdened & Economically Vulnerable communities
- Project ready to move forward quickly
- Well-developed plans & financials

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Proposed Organics Grant Program

- **Purpose:** Build infrastructure needed for green/food materials currently landfilled
- **Competitive** application & scoring process

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Proposed Organics Grant Program

Eligible Applicants

- Government entities: cities, counties, regional or local sanitation agencies, waste agencies & joint power authorities
- State government agencies
- Private, for-profit & not-for-profit companies
- Indian tribes

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Proposed Organics Grant Program

Project Requirements

- Reduce GHG emissions from organics
- Reduce landfill disposal of green/food materials

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Proposed Organics Grant Program

Eligible Projects

- New or expanded/modernized composting facility
- New or expanded anaerobic digestion
- Other digestion/fermentation
- Food rescue partnered with other eligible projects

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Proposed Organics Grant Program

Ineligible Projects/Costs

- Collection vehicles or containers
- Dehydrators or liquefiers without additional composting/AD capacity
- Feedstock purchase

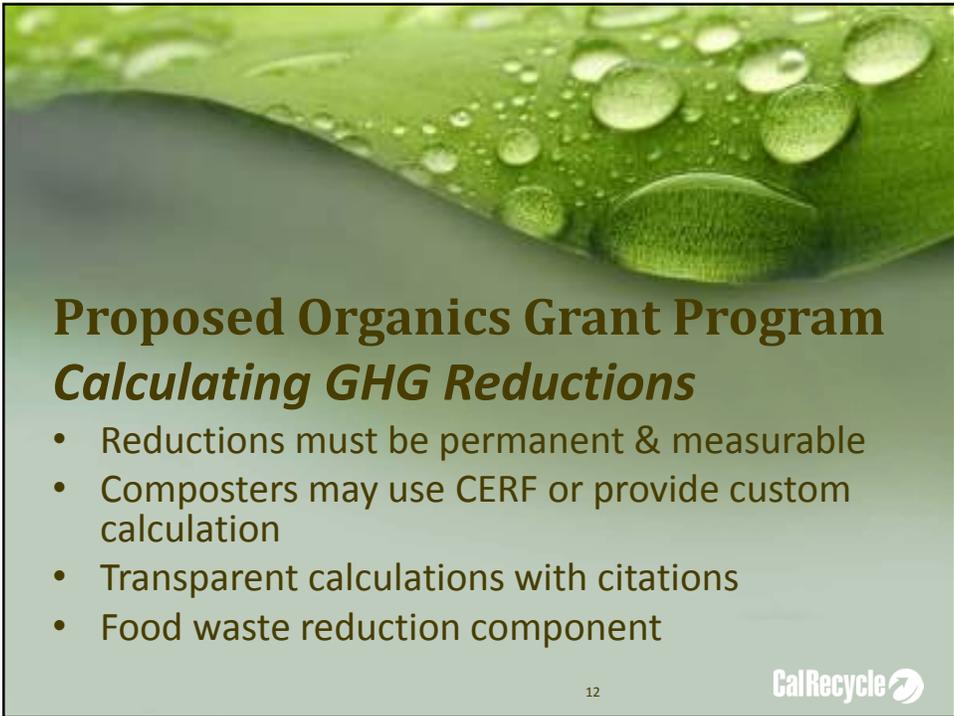
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Proposed Organics Grant Program

Scoring Criteria	Points	Metric
GHG Reductions	25	<i>MTCO_{2e}</i>
Avoided disposal	15	<i>Tons of material</i>
EBEV benefits	10	<i>OEHHA Enviroscreen</i>
Other environmental benefits	10	<i>Air, water protection</i>
Project readiness	10	<i>Permits, site</i>
Budget & financial strength	15	<i>Match, \$ in bank</i>
Work plan & complete application	15	<i>Competence, support</i>

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Proposed Organics Grant Program

Calculating GHG Reductions

- Reductions must be permanent & measurable
- Composters may use CERF or provide custom calculation
- Transparent calculations with citations
- Food waste reduction component

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Proposed Organics Grant Program

Tons of Organic Material

- Additional tons
- Types of material
- Jurisdiction of origin

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Proposed Organics Grant Program

Environmentally Burdened and Economically Vulnerable Communities

- How will proposal benefit an EBEV?
- Types of environmental benefits
- Job creation

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Proposed Organics Grant Program

Project Readiness

- Major permits in place or underway
- Environmental review mostly completed

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Proposed Organics Grant Program

Other Scoring Criteria

- Work Plan: clear & concise
- Budget: accurate & detailed
- Fiscal Soundness
- Application Completeness

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Proposed Organics Grant Program

New or Expanded Commercial Composting

- Existing facility upgrades must show ***increased*** throughput & GHG reductions

New or Expanded Commercial Anaerobic Digestion

- Existing facility upgrades must show ***increased*** throughput & GHG reductions

Food Waste Reduction Partner (combined with Compost/AD)

- Rescues edible food that results in increased food distribution to people

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Proposed Fiber, Plastic, & Glass Grant Program

- ***Purpose:*** to build/expand infrastructure for manufacturing products with recycled fiber, plastic or glass feedstock
- ***Competitive*** application & scoring process

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Proposed Fiber, Plastic, & Glass Grant Program

Eligible Projects

- Construction, renovation or expansion that increases output of manufacturing facilities

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Proposed Fiber, Plastic, & Glass Grant Program

Ineligible Projects/Costs

- Collection vehicles or containers
- Sorting or processing without additional in-state manufacturing
- Purchase of feedstock

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Proposed Fiber, Plastic, & Glass Grant Program

Calculating GHG Reductions

- Reductions must be real, permanent & additional
- May use RERF or other methods
- Provide transparent calculations & include citations

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Proposed Fiber, Plastic, & Glass Grant Program

New or Expanded Fiber, Plastic, & Glass manufacturing facility

- Existing facility upgrades must show ***increased*** throughput & GHG reductions

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Loan Program

Purpose

To promote in-state development of infrastructure to process California-generated organics & other recyclable materials into value-added products.

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Loan Program

Competitive Application Process

- Applications available in May 2014
- Organic project applications due Jan. 15, 2015
- Organic & other recyclable material applications open beginning Feb. 15, 2015

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Loan Program

Eligible Applicants

- Government entities: cities, counties, regional or local sanitation agencies, waste agencies & joint power authorities
- Private, for-profit & not-for-profit companies

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Loan Program

Permit Requirements

Must obtain all significant applicable federal, state & local permits prior to loan approval

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Loan Program
Types of Eligible Projects
Construction, renovation or expansion of organic facilities & other recyclable material manufacturing facilities to make recycled-content products

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Loan Program
Eligible Costs

- Purchase of equipment & machinery
- Real estate improvements (may require landlord to provide deed of trust)

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Loan Program

Scoring Criteria (for those submitted by Jan 15)
GHG emission reductions, tons organic material, benefits to EBEV communities

Loan Underwriting Requirements (for all loan apps)

1. Operator work & education experience
2. Ability to repay loan
3. Adequacy of collateral
4. Business owner guarantee(s)

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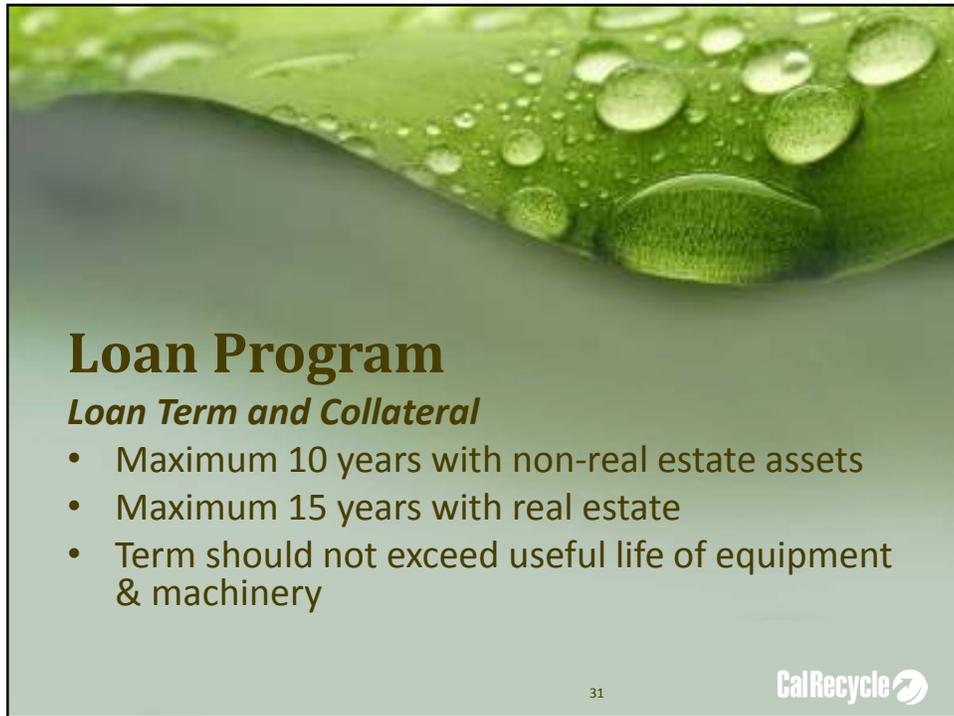


Loan Program

Loan Funding

- Interest rate: 4.00%
- Maximum loan amount: \$5 million (includes all outstanding CalRecycle loans)
- Required match: 25%

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Loan Program

Loan Term and Collateral

- Maximum 10 years with non-real estate assets
- Maximum 15 years with real estate
- Term should not exceed useful life of equipment & machinery

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Next Steps

- NOFAs - spring
- Proposals due
- Grant awards - summer
- Loans – early 2015
- Grant & Loan term dates

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Questions/Comments

- Organics Grant Program
- Fiber, Plastic, & Glass Grant Program
- GHG Reduction Loan Program
- Email: GHGReductions@CalRecycle.ca.gov

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