

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: ~~June 1, 2015~~ 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, Fiscal Year 2015-16)

Action By: ~~June 16, 2015~~ April 27, 2016

Summary of Request: Staff requests approval of grant awards for the Local Conservation Corps (LCC) Grant Program. The total amount of funds available for the Fiscal Year (FY) 2015-16 LCC Grants is \$21,414,454. Funding is comprised of allocations from four funding sources: the Electronic Waste Recovery and Recycling Account (\$8,000,000); the California Tire Recycling Management Fund (\$5,000,000); the California Used Oil Recycling Fund (\$2,000,000); and, the California Beverage Container Recycling Fund (\$6,414,454). Staff received 13 applications requesting \$19,828,729; one application, which would be for the remaining funds, is pending submission***. CalRecycle staff propose awarding a base allocation of \$1,585,725 to 12 corps and \$800,029 to the newer Southern California Mountains Foundation, and reserving \$1,585,725 for San Gabriel Valley Conservation Corps.

Funding from San Gabriel Valley’s FY 2015-16 award of \$1,585,725 was redistributed to 13 Local Conservation Corps in April 2016.

Recommendation: Staff recommends approval of ~~14~~ 13 LCC grant awards as listed in Table 1 below for \$21,414,454.

Table 1. Local Conservation Corps Grant Program Award List

Local Conservation Corps Name	BCRF (COLA)*	E-Waste	Waste Tire	Used Oil	Total Award
Civicorps Schools	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Conservation Corps North Bay	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Conservation Corps of Long Beach	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Fresno Local Conservation Corps <u>Fresno County Economic Opportunities Commission</u>	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Los Angeles Conservation Corps	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Orange County Conservation Corps	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>
Sacramento Regional Conservation Corps	\$474,986 <u>\$511,523</u>	\$592,395 <u>\$637,963</u>	\$370,246 <u>\$398,726</u>	\$148,098 <u>\$159,490</u>	\$1,585,725 <u>\$1,707,702</u>

San Francisco Conservation Corps	\$474,986 \$511,523	\$592,395 \$637,963	\$370,246 \$398,726	\$148,098 \$159,490	\$1,585,725 \$1,707,702
San Joaquin Regional Conservation Corps	\$474,986 \$511,523	\$592,395 \$637,963	\$370,246 \$398,726	\$148,098 \$159,490	\$1,585,725 \$1,707,702
San Jose Conservation Corps	\$474,986 \$511,523	\$592,395 \$637,963	\$370,246 \$398,726	\$148,098 \$159,490	\$1,585,725 \$1,707,702
Sequoia Community Corps	\$474,986 \$511,523	\$592,395 \$637,963	\$370,246 \$398,726	\$148,098 \$159,490	\$1,585,725 \$1,707,702
Southern California Mountains Foundation**	\$239,636 \$276,178	\$298,865 \$344,444	\$186,802 \$215,288	\$74,726 \$86,120	\$800,029 \$922,030
Urban Corps of San Diego County	\$474,986 \$511,523	\$592,395 \$637,963	\$370,246 \$398,726	\$148,098 \$159,490	\$1,585,725 \$1,707,702
San Gabriel Valley Conservation Corps ***	\$474,986 \$0	\$592,395 \$0	\$370,246 \$0	\$148,098 \$0	\$1,585,725 \$0
Totals	\$6,414,454	\$8,000,000	\$5,000,000	\$2,000,000	\$21,414,454

*The Cost of Living Adjustment (COLA) is calculated using a 2.1% Consumer Price Index (CPI), as provided by the Division of Recycling (DOR). The FY 2015-16 COLA amount was recalculated after the release of the Governor's Budget to account for adjustments that the CPI staff used to calculate the COLA. This adjustment is detailed in "Note 9" beginning on page 34 of CalRecycle's [Quarterly Report on the Status of Beverage Container Recycling Fund \(FY 2014-15 – 2nd Quarter\)](#).

** Reduced amount to newly certified Corps, first certified in 2013. Additional \$29 \$53 in this budget is the remainder that resulted from rounding each award to whole dollar amounts. This includes \$29 from the original allocation and \$24 from the reallocation.

*** This reserved amount ~~will be awarded~~ was contingent upon San Gabriel Conservation Corps submitting an application and fulfilling all requirements of its Corrective Action Plan (Amended April 2015). These funds are being redistributed to the remaining 13 Corps as San Gabriel Valley Conservation Corps did not receive a grant.

Funding: The FY 2015-16 Budget Act allocates \$21,414,454 for the LCC Grant Program distributed among four program funds as shown below.

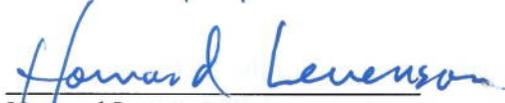
Fund Source	Amount Available	Amount to Fund Item	Amount Remaining	Line Item
California Beverage Container Recycling Fund (FY 2015-16)	\$6,414,454	\$6,414,454	\$0	Grants
Electronic Waste Recovery and Recycling Account (FY 2015-16)	\$8,000,000	\$8,000,000	\$0	Grants
California Tire Recycling Management Fund (FY 2015-16)	\$5,000,000	\$5,000,000	\$0	Grants
California Used Oil Recycling Fund (FY 2015-16)	\$2,000,000	\$2,000,000	\$0	Grants

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 proposed FY 2015-16 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 (\$6,414,454), the Electronic Waste Recovery and Recycling Account (\$8,000,000), the California Tire Recycling Management Fund (\$5,000,000), and the California Used Oil Recycling Fund (\$2,000,000). These funds would be used 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, used oil, electronic waste and the clean-up, and abatement of waste tires.

Program Background

California established the Local Conservation Corps Program in 1993 with the purpose of supporting the success of disadvantaged youth through a structured program of conservation activities intended for, "conserving or developing natural resources and enhancing and maintaining environmentally important lands and waters through the use of California's young women and men..." (Statutes of 1993, Chapter 894).

The LCC Grant Program accomplishes these purposes in part through provision of community recycling services and litter abatement projects that collect and divert recyclable materials from landfills. Each LCC is certified annually by the California Conservation Corps and all LCCs work closely with their local jurisdictions to maximize resources and increase recycling knowledge, programs, and activities 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 in support of the state's seventy-five (75) percent solid waste recycling goal.

Prior to FY 2014-15, 100 percent of LCC funding was financed from the Beverage Container Recycling Fund. Beginning with FY 2014-15, LCC funding was diversified pursuant to the enacted Budget to promote fiscal stability and to enable the Corps to expand their conservation and recycling efforts related to other environmentally important materials. LCC funding is now an aggregate of funds from the California Beverage Container Recycling Fund, the Electronic Waste Recovery and Recycling Account, the California Tire Recycling Management Fund, and the California Used Oil Recycling Fund.

Given this rapid change to diversified funding, LCC's were challenged to convert from a business model built on beverage container recycling projects over three decades to one that incorporates activities that increase the recycling of used oil, waste tires, and E-waste recovery. This rapid conversion is demanding but it is a challenge the Corps have embraced and are succeeding in meeting. CalRecycle has worked closely with the Corps to provide technical assistance, recommend projects, implement mutually supportive activities, and facilitate ongoing communication. LCC's have coordinated to share information and have established three inter-Corps committees to lead development of activities and determine best practices related to used oil, waste tires, and E-waste.

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 April 20, 2015. A notice was emailed on April 20, 2015, to notify certified Local Conservation Corps about the published NOFA. Applications were due May 8, 2015.

The funding methodology allocates funds from each funding source equally among 13 of the LCCs, with a reduced amount of \$800,029 allocated to the newer Southern California Mountains Foundation, which was first certified in 2013. Any newly certified corps receives a base allocation of \$600,000 the first year of eligibility, \$700,000 the second year, \$800,000 in the third 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., non-profit status is current, no outstanding debt including, but not limited to, fines, penalties, or unsettled final audit findings, due to CalRecycle).

The recommended award list was revised in April 2016 to account for the redistribution of San Gabriel Valley Conservation Corps's funding allocation among 13 Local Conservation Corps.