



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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(213) 974-1101
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July 15, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: EXPANSION OF THE LOS ANGELES
COUNTY RECYCLING MARKET
DEVELOPMENT ZONE PROGRAM
(ALL DISTRICTS)
(3 VOTES)**

SUBJECT

This action is to consider and approve the expansion of the Los Angeles County Recycling Market Development Zone and the required documentation for the expansion.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Consider the Negative Declaration for the expansion of the Los Angeles County Recycling Market Development Zone, find on the basis of the whole record before your Board that there is no substantial evidence the project will have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment and analysis of your Board, and adopt the Negative Declaration.
2. Find that the expansion of the Los Angeles County Recycling Market Development Zone has no effect on fish and wildlife and authorize the Director of Public Works to complete and file a Certificate of Fee Exemption for the project with the County Clerk pursuant to Fish and Game Code Section 711.4(c)(2)(a).

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3. Approve and instruct the Chair to sign the Resolution of the County of Los Angeles Supporting Expansion of the Los Angeles County Recycling Market Development Zone to include four new cities of Compton, Inglewood, Palmdale, and Torrance.
4. Authorize the Department of Public Works to submit an application for the proposed expansion of the County Recycling Market Development Zone to the California Integrated Waste Management Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County Recycling Market Development Zone (RMDZ) presently consists of unincorporated Los Angeles County and the cities of Burbank, Carson, Commerce, El Monte, Glendale, South Gate, and Vernon. Approval of the recommended actions will adopt the Negative Declaration and expand the existing RMDZ to include the four new member cities of Compton, Inglewood, Palmdale, and Torrance. The justification of the recommended action is to provide economic assistance for both new and existing recycling-based manufacturing businesses in the four cities and to increase the overall diversion rate for solid waste in the County. The four new member cities have zoned industrial areas which are able to accommodate (1) manufacturers which are able to use recycled materials as their feedstock, and/or (2) processors of materials that are normally difficult to recycle.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Service Excellence (Goal 1), Organizational Effectiveness (Goal 3), and Fiscal Responsibility (Goal 4). The County RMDZ will support these goals by providing excellent service to a greater number of cities and businesses using the greater skills and resources inherent in an organization with increased membership, and by sharing the costs among those members.

FISCAL IMPACT/FINANCING

The annual cost for the administration of the program is estimated at \$40,000, and sufficient funds to cover the cost of this program have been included in the proposed Fiscal Year 2008-09 Solid Waste Management Fund budget. The cost of this program will be financed with annual membership dues of \$1,500 from the participating cities and an annual contribution of \$23,500 from the Solid Waste Management Fund. There will be no impact to the County General Fund.

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FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 23, 1993, your Board authorized the Community Development Commission (Commission), on behalf of six unincorporated communities, and the cities of Compton, Huntington Park, Lynwood, and South Gate, to apply to the California Integrated Waste Management Board (CIWMB) for designation as the County RMDZ. Later, your Board authorized the Commission to expand the County RMDZ program to include all unincorporated communities and the cities of Burbank, Carson, Commerce, Covina, El Monte, Glendale, Montebello, Pasadena, South El Monte, and Vernon. On June 1, 2004, your Board authorized the application for a ten-year extension of the County RMDZ and authorized the transfer of the County RMDZ from the Commission to the Department of Public Works. Member cities may withdraw from the program at their discretion; as a result, there are currently seven member cities.

The California RMDZ program is a Statewide initiative of the CIWMB to help jurisdictions meet the waste diversion mandates of Assembly Bill 939. The goal of the program is to divert waste materials from landfills to more productive uses. The CIWMB has designated 33 RMDZ regions in the State, including the County RMDZ.

The California RMDZ program combines recycling with economic development to support new businesses, expand existing ones, create jobs, and divert waste from landfills. The program provides attractive loans, technical assistance, and free product-marketing to qualifying businesses. Qualifying business must be located in a RMDZ and either manufacture products using materials from the waste stream or process materials that are normally difficult to recycle.

The County RMDZ serves as a referral center for businesses interested in the program. Qualifying businesses receive technical assistance from CIWMB staff and are eligible to apply for RMDZ loans. Financing for the loans is provided directly by the CIWMB, which also underwrites and services all loans. To date, the County RMDZ program has been the most successful in the State, having employed an average of 266 people per year. RMDZ companies have diverted an average of 69,405 tons of waste per year. In its history, LA County RMDZ has made 20 loans to 14 companies totaling \$12,502,500. Currently, there is \$3,150,851 in outstanding loans. In the past four years, two loans for approximately 3 million dollars were approved.

County Counsel has approved the Resolution as to form.

ENVIRONMENTAL DOCUMENTATION

An Initial Study was prepared for the project in compliance with the California Environmental Quality Act (CEQA). The Initial Study showed that there is no substantial evidence that the project may have a significant effect on the environment. Based on the Initial Study, a Negative Declaration was prepared. Public notice was published in the "Antelope Valley Press," "Compton Bulletin", and "Torrance Daily Breeze" on March 26, 2008, pursuant to Public Resources Code Section 21092 and posted pursuant to Section 21092.3.

The location of the documents and other materials constituting the record of the proceedings upon which your Board's decision is based in this matter is the County of Los Angeles Department of Public Works, Programs Development Division, 900 South Fremont Avenue, 11th Floor, Alhambra, California 91803. The custodian of such documents and materials is Mr. Ed Dingman, County of Los Angeles Department of Public Works, Programs Development Division.

The Department of Fish and Game has determined that for purposes of the assessment of CEQA filing fees, Section 711.4(c) of the Fish and Game Code, the project has no potential effect on fish, wildlife, and habitat and does not require payment of a CEQA filing fee. The "CEQA Filing Fee No Effect Determination Form" was approved by the Department of Fish and Game on March 20, 2008. Upon your Board's approval of the Negative Declaration, Public Works will file a Notice of Determination in accordance with Section 21152(a) of the California Public Resources Code and pay the required filing fee with the County Clerk in the amount of \$50.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Authorization for Public Works to apply for expansion of County RMDZ will allow for the continuation of a program with both environmental and economic development benefits. There will be no negative impacts on current services resulting from the expansion.

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CONCLUSION

Please return one adopted copy of this letter along with two copies of the approved Resolution to the Department of Public Works, Environmental Programs Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DDE
FMR:cw

Attachment

c: County Counsel
Department of Public Works (Administrative Services)

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, CALIFORNIA,
APPROVING THE FILING OF AN APPLICATION FOR THE EXPANSION OF THE
LOS ANGELES COUNTY RECYCLING MARKET DEVELOPMENT ZONE

WHEREAS, the California Public Resources Code Section 42010 provides for the establishment of the Recycling Market Development Zone (RMDZ) program throughout the State to provide economic incentives to stimulate development of post-consumer and secondary materials for recyclables; and

WHEREAS, the Los Angeles County RMDZ includes the entire unincorporated area of Los Angeles County and the cities of Burbank, Carson, Commerce, El Monte, Glendale, South Gate, and Vernon; and

WHEREAS, cities and counties must meet a 50 percent reduction in landfill waste disposal as mandated in the California Integrated Waste Management Act (AB 939); and

WHEREAS, the Los Angeles County RMDZ is dedicated to establishing, sustaining, and expanding recycling-based manufacturing businesses, which is essential for market development and to assist local jurisdictions in meeting the established landfill reduction goals; and

WHEREAS, the Los Angeles County RMDZ wants existing and new recycling-based manufacturing businesses within the cities of Compton, Inglewood, Palmdale, and Torrance to be eligible for the technical and financial incentives associated with the RMDZ program; and

WHEREAS, the expansion of the Los Angeles County RMDZ is still necessary to facilitate local and regional planning, coordination, support of existing recycling-based manufacturing businesses, as well as attract private sector recycling business investments to the region; and

WHEREAS, the current and proposed waste management practices and conditions are favorable to the development of post-consumer and secondary waste materials markets; and

WHEREAS, the California Legislature has defined environmental justice as "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies" [Government Code Section 65040.12(e)], and has directed the California Environmental Protection Agency to conduct its programs in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including

minority populations and low-income populations of the State [Public Resources Code Section 71110(a)]; and

WHEREAS, the California Integrated Waste Management Board, in its Strategic Plan, has adopted a goal to continuously integrate environmental justice concerns into all of the Board's programs and activities; and

WHEREAS, Los Angeles County Department of Public Works has prepared or caused to be prepared a Negative Declaration pursuant to the California Environmental Quality Act and on the basis of the whole record before it finds that the zone expansion project will not have a significant effect on the environment and further finds that the Negative Declaration reflects its independent judgment and analysis; and

WHEREAS, the record of the proceedings on which Los Angeles County bases its decision to adopt the Negative Declaration is available from the Department of Public Works located in Alhambra.

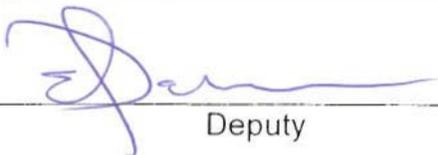
NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles:

1. That the Negative Declaration for the expansion of the Los Angeles County Recycling Market Development Zone (County RMDZ) be considered, find on the basis of the whole record before your Board that there is no substantial evidence the project will have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment and analysis of your Board, and adopt the Negative Declaration.
2. That the Board of Supervisors adopt the Resolution and instruct the Chair to sign the Resolution approving the filing of an application for the expansion of the Los Angeles County Recycling Market Development Zone. The County RMDZ presently consists of unincorporated Los Angeles County and the cities of Burbank, Carson, Commerce, El Monte, Glendale, South Gate, and Vernon. The Resolution will add the cities of Compton, Inglewood, Palmdale, and Torrance.
3. That the Board of Supervisors authorize the Department of Public Works to submit an application for the proposed expansion of the County RMDZ to the California Integrated Waste Management Board.

The foregoing Resolution was adopted on the 15TH day of JULY, 2008
by the Board of Supervisors of the County of Los Angeles.



SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By 
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By 
Deputy

CM:cw

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