



1 [Apply for Grant Applications - California Department of Resources Recycling and Recovery  
2 Funds]

3 **Resolution authorizing the Department of the Environment to submit applications on**  
4 **behalf of the City and County of San Francisco for all grants offered by the California**  
5 **Department of Resources Recycling and Recovery for which it is eligible.**

6  
7 WHEREAS, Pursuant to Public Resources Code, Sections 48000 et seq., 14581, and  
8 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has  
9 established various payment programs in furtherance of the State of California's (state) efforts  
10 to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill  
11 capacity and protecting public health and safety and the environment; and

12 WHEREAS, In furtherance of this authority, CalRecycle has established procedures  
13 governing the application, awarding and administration of grants; and

14 WHEREAS, CalRecycle's application procedures require, among other things, an  
15 applicant's governing body to declare by resolution certain authorizations related to the  
16 administration of CalRecycle grants; now, therefore, be it

17 RESOLVED, That the Department of the Environment, on behalf of the City and  
18 County of San Francisco, is authorized to submit an application to CalRecycle for any and all  
19 grants for which it is eligible; and, be it

20 FURTHER RESOLVED, That the Director of the Department of the Environment, or  
21 his/her designee, is authorized and empowered to execute in the name of the Department of  
22 the Environment, on behalf of the City and County of San Francisco, all grant documents,  
23 including but not limited to, applications, agreements, amendments and requests for payment,  
24 necessary to secure grant funds and implement the approved grant project; and, be it

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FURTHER RESOLVED, That this authorization is effective for five (5) years from the date of adoption by this Board of Supervisors.

Recommended:

Deborah D. Raphael

Department Head

Approved: Kelly Spivey  
for Mayor



# Application

Generated By: Kevin Drew

## Application Information

**Applicant:** City and County of San Francisco

**Cycle Name:** Beverage Container Recycling Grant Program

**Application Due Date:** 8/7/2018

**Cycle Code:** RBC30

**Secondary Due Date:** 9/5/2018

**Grant ID:** 20958

**Grant Funds Requested:** \$500,000.00

**Matching Funds:** \$0.00 (if applicable)

**Awarded Funds:** \$0.00

**Project Summary:** "Make San Francisco CRV Redemption Convenient Again"

See attached "Finding citywide CRV convenience through beverage dealer alliance"

Goal: To make SF CRV Convenient citywide

The number of certified recycling centers in San Francisco reached 35 sites in 1990 but has declined significantly in recent years from 21 sites in 2010 to only 6 sites in 2018. This equals 7% convenience in SF, the state average is over 45%.

As a result of CalRecycle enforcement action in response to this situation:

- 36+ stores are paying an "in lieu" fee of \$100/day to NOT recycle. This Option B represents over \$1.3 Million on an annual basis paid to CalRecycle.

300+ smaller beverage dealers are choosing Option A, "redeeming in store" over their check-out counters. This is very disruptive, taking up both labor and precious space in already strained conditions common to SF., putting recycled containers in spaces often shared with fresh foods.

The SF CRV Convenience Alliance (SFCRVA) working in tandem with the City of San Francisco's Department of Environment (SFE) proposes to establish a new pilot system of CRV redemption recycling options that brings the entire city of San Francisco (SF) into CRV convenience over the course of 2-4 years.

This will be accomplished primarily through the use of mobile recycling options regularly located in parking lots in an established, published, electronically-connected, well-publicized fashion that will also feature a "Bag Drop" system for consumer to deposit their CRV containers into a locked, secure drop-off bin with accompanying identification means so that the consumer is properly credited and then paid electronically with 48-72 hours of drop-off of CRV materials. This is an entirely new sytem for SF and California and it will be developed and vetted with CalRecycle and City of SF assistance and oversight.

## Applicant/Participant

**Name:** City and County of San Francisco

**Lead:** X

**Federal Tax ID:** 94-6000417

**Jurisdiction:** San Francisco

**County:** San Francisco

## Contacts

| Contact Name   | Title   | Phone             | Fax             | Email                         | Prime | Second | Auth | Cnslt |
|--|---|-------------------|-----------------|-------------------------------|-------|--------|------|-------|
| Kevin Drew<br>1455 Market Street<br>San Francisco, CA 94103                                | Title: Residential/Special Projects Coordinator | Phone: 4153553732 | Fax: 4155546393 | Email: kevin.drew@sfgov.org   | X     |        |      |       |
| Robert Haley<br>Department of Environment<br>1455 Market Street<br>San Francisco, CA 94103 | Title: Zero Waste Program Manager               | Phone: 4153553752 | Fax: 4155546393 | Email: robert.haley@sfgov.org |       |        | X    |       |

| Budget        |              |
|---------------|--------------|
| Category Name | Amount       |
| Admin Costs   | \$67,000.00  |
| Education     | \$125,000.00 |
| Equipment     | \$270,000.00 |
| Personnel     | \$38,000.00  |

**Site Information**

Many sites

| Documents                 | Document Title   | Received Date |
|---------------------------|--|---------------|
| <b>Required</b>           |  |               |
| Application Certification | Application Certification  | 8/7/2018      |
| Budget                    | Budget for 2 years Rounds 30 31  | 8/7/2018      |
| Budget                    | 2 year budget for 16 mobile sites_ 1 fixed site                            | 8/7/2018      |
| Budget                    | Budget in Grant Format   | 8/7/2018      |
| Narrative Proposal        | "Finding citywide CRV convenience through beverage dealer alliance V4      | 8/7/2018      |
| Work Plan                 | Bag Drop Startup Work plan   | 8/7/2018      |
| Work Plan                 | SF SB 458 Pilot Work Plan Roll Out   | 8/7/2018      |
| Work Plan                 | Workplan   | 8/27/2018     |
| Work Plan                 | Workplan - final version - please disregard file uploaded easier this hour | 8/27/2018     |

**Required By Secondary Due Date**  
Resolution/Letter of Commitment

**Other Supporting Document(s)**

|                                    |  |          |
|------------------------------------|--|----------|
| Draft Resolution                   |  |          |
| EPPP Notification                  | ENVIRONMENTALLY PREFERABLE PURCHASES AND PRACTICES POLICY        | 8/7/2018 |
| Joint Powers Agreement             |  |          |
| Letter of Authorization/Resolution | Resolution Authorizing submit applications for CalRecycle grants | 8/7/2018 |
| Letter of Commitment               |  |          |
| Letter of Designation              | Letter of Designation CalRecycle CRV Grant                       | 8/7/2018 |
| Letter of Support                  | SFCC Letter of Support   | 8/7/2018 |

**Resolution**

Check the following, as applicable. Each applicant must upload one of the following documents to their application. See Application Guidelines and instructions for more information.

Applicant acknowledges that a Resolution, approved by it's governing body, is uploaded in the application. The Resolution must authorize submittal of the application and designate a signature authority. If applicable, applicant has uploaded a Letter of Designation (LOD) designating an additional signature authority(ies).

**EPPP**

Does your organization have an Environmentally Preferable Purchasing and Practices (EPPP) Policy?  
 Yes, our organization has an EPPP Policy. Organization refers to a company, business, or the entire city or county applicant, not an individual office or sub-unit of the larger entity.

**Program Questions**

California Labor Code section 1782 prohibits a charter city from receiving state funding or financial assistance for construction projects if that charter city does not comply with Labor Code sections 1770-1782. If any applicants or participating jurisdictions are charter cities or joint powers authorities that include charter cities, the lead applicant must certify that Labor Code section 1782 does not prohibit any included charter city from receiving state funds for the project described in this application. If it is determined after award that a participating jurisdiction is a charter city prohibited from receiving state funds for this grant project, the grant will be terminated and any disbursed grant funds shall be returned to CalRecycle.

If any applicant or participating jurisdiction is a charter city or a joint powers authority that contains one or more charter cities, does Labor Code section 1782 prohibit those charter cities from receiving state funding for the project described in this grant application? Check the following, as applicable.

X No. Applicant certifies that no charter cities included in this application are prohibited from receiving state funding for the project described in this grant application.

Have you prohibited the siting of a supermarket site?

( Yes) (x No)

Have you caused a supermarket site to close its business?

( Yes) (x No).

Have you adopted a land use policy that restricts or prohibits the siting of a supermarket site within your jurisdiction?

( Yes) (x No)

Are you a local jurisdiction applying for the Beverage Container Recycling Pilot Program as authorized by SB 458, PRC 14571.9, and associated regulations?

(x Yes) ( No)

## NARRATIVE PROPOSAL

Beverage Container Recycling Grant Program  
Fiscal Years 2018–19 and 2019–20  
RBC30 and RBC31

This **Narrative Proposal is a required application document** used to describe the details of your proposed project. The response size for each section is limited to 2,500 characters and cannot be expanded. Please ensure your narrative responses are concise, detailed, clear and most importantly, address each of the questions below. A minimum score of 39 points out of a possible 57 points must be obtained in order to be considered for funding. Utilizing a document form other than this official CalRecycle version, tampering with this CalRecycle version or otherwise circumventing imposed character limits will subject the applicant to disqualification from the Beverage Container Recycling Grant Program.

You may upload additional documents/attachments to **support your responses** to the questions. Please label the document/attachment to identify the content and choose *Other* as the Document type. Examples include: resumes, land use permit, bids, quotes, or estimates, Mandatory Commercial Recycling plan, etc. For more information, see the Application Guidelines and Instructions and the *Scoring Criteria for Beverage Container Recycling Grant for FYs 2018–19 and 2019–20*. They can be found on the Summary Tab of your application in the Resource Documents section. After you complete this document, save it to your computer and upload it to the Documents Tab of your application.

If you are a local jurisdiction requesting grant funds for a project under the Beverage Container Recycling Pilot Program (Pilot Program) as authorized by SB 458, PRC 14571.9, and associated regulations please note it appropriately when responding in the applicable sections below. For eligibility of this Pilot Program and the latest information about this program visit: <http://www.calrecycle.ca.gov/BevContainer/Recyclers/Pilot2018/>.

**APPLICANT NAME:** Make SF CRV Convenience Again (SF CRV Convenience Alliance)

Eligible projects (with the exception of the Pilot Program) must be an ongoing collection program and may be at the following locations.

Please identify your proposed project location sites:

- Multi-family residential dwellings (five units or more)
- Public colleges/universities, non-profit colleges/universities, and public K-12 school districts
- Curbside Residential Program locations (excluding single stream)
- Parks/recreational areas
- Pilot Program projects may be at any residential, commercial, or public locations that meet the conditions to operate as a Pilot Program.
- Other (describe)

Each response will be scored on a scale of 0 – 3 points:

- 0 points – Inadequate
- 1 point – Barely Adequate
- 2 points – Fully Adequate
- 3 points – Excellent or Outstanding

**PROPOSED PROJECT DESCRIPTION AND GOALS (24 Points)**

**Note:** Scores in this section will be multiplied by two, for a maximum score of 24.

**Description**

The responses must explain how the proposed project provides convenient beverage container recycling opportunities in California.

1. Describe the proposed ongoing beverage container recycling project and any associated temporary components. If applicable, describe the proposed grant project that qualifies for the Pilot Program.

See attached "Finding citywide CRV convenience through beverage dealer alliance"

Goal: To make SF CRV Convenience citywide

The number of certified recycling centers in San Francisco reached 35 sites in 1990 but has declined significantly in recent years from 21 sites in 2010 to only 6 sites in 2018. This equals 7% convenience in SF, the state average is over 45%.

As a result of CalRecycle enforcement action in response to this situation:

- 36+ stores are paying an "in lieu" fee of \$100/day to NOT recycle. This Option B represents over \$1.3 Million on an annual basis paid to CalRecycle.

300+ smaller beverage dealers are choosing Option A, "redeeming in store" over their check-out counters. This is very disruptive, taking up both labor and precious space in already strained conditions common to SF., putting recycled containers in spaces often shared with fresh foods.

The SF CRV Convenience Alliance (SFCRVA) working in tandem with the City of San Francisco's Department of Environment (SFE) proposes to establish a new pilot system of CRV redemption recycling options that brings the entire city of San Francisco (SF) into CRV convenience over the course of 2-4 years.

This will be accomplished primarily through the use of mobile recycling options regularly located in parking lots in an established, published, electronically-connected, well-publicized fashion that will also feature a "Bag Drop" system for consumer to deposit their CRV containers into a locked, secure drop-off bin with accompanying identification means so that the consumer is properly credited and then paid electronically with 48-72 hours of drop-off of CRV materials. This is an entirely new system for SF and California and it will be developed and vetted with CalRecycle and City of SF assistance and oversight.

2. Identify the target audience and geographic area where activities will take place.

**SF has 11 supervisors districts, when you overlay the 11 districts with the CalRecycle map of CZs in the City, only 3 districts have some degree of**

**served convenience: #9, 10, and 11.**

**The geographic area unserved is defined by districts #1 through 8.**

**The citizens that would be served by this pilot in districts #1 - 8 would be those consumers that are currently completely unserved. Most consumers that do redeem have to go at least 3 miles to one of the 6 RCs that are still open. This pilot of mobile RCs would fix that issue.**

3. Identify any participating governmental agencies, businesses, and organizations that will actively help to complete the proposed project. Describe their role. Or describe why the project doesn't require a partner.

SFE has been organizing a response to the lack of convenience in SF for over 3 years, meeting consistently with the almost all supermarkets and many smaller beverage dealers and their trade groups such as the Small Business Commission, Arab Grocers Association and the Council of District Merchants. That effort has led to the recently formed SF CRV Convenience Alliance.

Again See attached "Finding citywide CRV convenience through beverage dealer alliance"

The current alliance members are Safeway, Whole Foods Markets, Trader Joe's, Lucky's, Costco and Rainbow Grocery Co-op. The SFE has been organizing these members, and would continue to help with the roll out and promotion of the pilots.

The Mayor's Office, the SF Dept of Zoning and Planning, Board of Supervisors, Senator Scott Wiener. Recology are part of the citywide approval and execution

Upon acceptance of this grant we intend to engage the SF Conservation Corp., and other like non profits aligned to the goals of this project.

4. Describe project goals and objectives and whether the goals and objectives will be accomplished before the grant term ends. (Must be clear, quantifiable, measurable, and realistic, while supporting the grant focus).

Citywide CRV redemption convenience: by adding mobile sites -- we'll start with 16 parking lots in the first phase -- these locations correspond with little or no convenience in districts #1 - 8.. The project will take at least 2019, 2020 to fulfill citywide convenience, and will continue throughout the SB458 pilot period.

The goal is to build and expand by 10 million CRVable increments : the annual capacity of each sorting table needed to assure accurate CRV by sku accounting to each customer of the system.

**NEED (12 Points)**

Grant funds are not available to determine whether a need exists. Lack of an existing beverage container recycling program does not necessarily imply a critical need exist. Include supporting documentation that the targeted area has a critical need for a beverage container recycling program.

1. Describe the existing beverage container recycling program and program history for the area or population focused on or served. Include materials currently accepted, operating days, program strengths and weaknesses. If no existing program, describe why there is no program.

See attached "Finding citywide CRV convenience through beverage dealer alliance"

There are 6 operating RCs at this time CalRecycle receives their numbers already.

These RCs are located in supervisors districts 9, 10, and 11 only.

The results, as shown by statistics referenced by SFE, the CRV recovery in 2017 was at 64% compared to over 80% a few years ago.

Adopted in 1986, AB 2020, the California Beverage Container Recycling and Litter Reduction Act (the Bottle Bill), is administered by the California Department of Resources Recycling and Recovery (CalRecycle) and is predicated on providing consumers convenient opportunity to 'redeem' their beverage containers and recoup the \$.05-.10/ bottle California redemption value (CRV) paid at purchase.

The law is anchored by requiring supermarkets to provide recycling buyback centers on-site or within a half-mile of their parking lots, creating a so-called Convenience Zone (CZ). If no such recycling center is provided within a half-mile radius, a supermarket or small business that sells beverages in that CZ is required to either provide in-store redemption, take the containers back within the store, or pay an in lieu fee of \$100-per-day as a means of compliance.

In 1990, there were 30 State-certified redemption centers geographically distributed across San Francisco, bringing the City in line with State standards. However, San Francisco currently has only eight remaining certified recycling centers within its borders, all of which are located in the southeast sector of the City, leaving close to two-thirds of San Francisco without any such locations. In fact, less than 10 percent of the CZs designated for our City are actively served by a recycling center.

As a result, many local businesses have received enforcement letters from CalRecycle requiring the stores to select which way they will comply: Option A - Redeem in Store or Option B - Pay \$100/ month.

In response, many larger San Francisco supermarkets have chosen instead to pay the in lieu fee. While not improper under state law, the decision by larger businesses to close their centers has a cascading effect on nearby small businesses, which then must offer in-store redemption or pay the hefty fees. However, many small businesses have neither the physical space to collect bottles and cans nor the financial capacity to pay a \$36,000-per-year fee.

2. Describe the program's gaps and barriers that explain why project funding is needed. This includes how the project supports compliance with the AB 341 Mandatory Commercial Recycling requirements, if applicable. An example of a project that supports compliance with the AB 341 requirement may include a beverage container infrastructure project in a multi-family residential dwelling.

We are innovating. We propose to bring "bag drop" system to the City. As with any start up there are costs associated with that beginning that the market itself will not support.

This dropping a bag of CRVables off will be a new habit. Yet the system operates in New York, Oregon, and Maine with success

This Pilot will help reach AB 341 goals by increasing redemption in SF which has dropped in recent years due to a serious lack of convenience. More redemption means cleaner streams of materials which will help with overall market conditions for recycling. This supports AB 341. As well, reinforcing good sorting behavior will support the further extension of AB 341 in across all materials, including beverage containers, all other containers and other materials such as paper and organics which figure prominently in the success of AB 341 in the future .

3. Include the current California Redemption Value (CRV) volumes collected and estimate the number of CRV containers to be recycled as a result of this project. Include any projected change in subsequent years.

In cooperation with the City of SF: Total for SF in 2017, in weight for: glass 86 million, aluminum 3 million, PET 8 million, HDPE 2.5 million lbs., .

which totals to approximately 500 million units of CRVables. It is the SFCRVA intention to increase the amount recovered by 8 million CRVables in the first year of operation and by 16 million units in the second year.

SFE will continue to support the project as it moves forward. This will take the form of funds from the City/County Payment Funds and in the form of staff support.

4. Explain your beverage container project needs and the project rationale compared to alternative approaches and previous efforts. List and describe any past beverage container grant funded projects.

San Francisco is relatively unique as a city: it has over 850,000 residents, and a daytime population of at least 1.2 million, with peak days approaching 1.5 million: ALL of this in 49 square miles. The density and the popularity of SF as a business center and tourist destination creates very high real estate values. .

We need to pilot with Mobile CRV redemption centers that are located conveniently throughout the City's landscape. Since SF is vastly underserved we to expect people to repsond to something new that eliminate lines, to easy to do, can be used for a fund raising mechchanism, has a fun image: the BottleBank™ bag drop Make CRV Redemption Convenient Again  
We can gain supermarket support because this innovation is aimed in part to make them benefit from the CRV redemption system, rather than feel like a burden..

Upload supporting documentation related to your proposed project, identifying a critical

need exists. This may include letters of support, research results, demonstration(s) of successful pilots or past phases, etc.

**WORK PLAN (9 Points)**

Answer questions below, and complete the Work Plan document:

1. Delineate and describe all eligible grant activities and major tasks necessary to achieve project goals.

2. Provide a comprehensive work plan for accomplishing the activities, with start and completion dates, and include 12 months of CRV volume collection expectations.

Work Plan document is uploaded.

3. Describe how all parties involved with the proposed project have sufficient staff resources, technical expertise, and experience to successfully complete the project.

This form would not let me type into that cell above Work Plan #1.

So the grant activities and major tasks are delineated in the 2 Work Plan docs attached, and in the extra budget docs also attached. We need to create a mobile CRV redemption center that is safe, clean, attractive and operationally efficient to the public.:

We will create one fixed site with both a bank of RVMs and a bag drop station.

The city of SF has a Dept of Environment has the resources to help bridge the transition period to the actual grant monies being available. Operationally we will hire some entity like RePlanet or Our Planet to the actual day-to-day mgt of the new RCs (an RFP will be going out in September). Tom Wright as an employee and a project manager has been associated with the beverage business since 1978. He has roll out many product introductions and systems innovations. He helped manage recycling infrastructure for Whole Foods Markets through their Green Mission program for 15 years, including 4 years of managing Greenopolis RVMs throughout the USA. Tom also was national sales manager at RW Knudsen, which owned A Sante mineral water, and first dealt with bottle bills nationally in 1980, including Oregon's. He represented Crystal Geyser in 1985 when AB2020 was first discussed.

Ruth Abbe has worked with recyclers and zero waste advocates for 2 decades. Both the SFCRVA and SFE will co-interview for the QC Associates positions, who will be the public faces of this innovative program for CRV redemption.

**BUDGET (9 Points)**

Answer the question below and complete the Budget document.

1. Provide a clear accounting of all costs associated with all activities necessary to complete the project in the Budget document.

- All line items must be clearly identified, necessary, reasonable, justified, and cost effective.

Budget document is uploaded.

2. Describe the proposed project costs and why they are needed. Costs shall be itemized and be consistent with the activities included in the Work Plan document.

We are applying for this grant with the expectation that the grant monies will cover 1/3 of our start up costs over the first two years. We are basically rebuilding the CRV redemption infrastructure in the City. This money is critical because it is helping create a firm floor for RC operators in SF in the underserved areas of SF.

See attached 16 mobile sites, one fixed site budget.

3. Clearly identify all supporting documentation including current estimates, bids, or other costs (e.g. in-kind services and volunteers) to support the requested amount in the Budget document for the purchase of equipment or materials.

Supporting documents such as estimates, bids, or other costs are uploaded.

**EDUCATION (a maximum of 25 percent of total grant award) (3 Points)**

Include activities supporting your local jurisdiction's MCR plan, if applicable.

1. Describe the strategies for implementing beverage container recycling education activities to assist in achieving the proposed project goals. Identify the target audience, venue(s), type of media, and tools/resources to implement the planned education activities.

As bag drop is a new habit we will need to invest in a learning curve

SFE has already engaged Gauger Associates to develop a brand book, which is attached.

We would continue to engage Gauger or a like company in the roll out phase of this project with PR and brand building. We would target 12 to 35 year olds.

We would also promote at the large IT companies in SF such as Google, Apple, Uber, Twitter, etc. We would use internet, smart phone friendly social media, as well as traditional event co-branding wherever appropriate (at schools, farmer's markets, and parks). PR would include a strategy to promote BottleBank™ via radio, TV and print media.

WE would spend the education monies on outreach to the consuming public on how to sign up, get bags, do fundraising, etc. On our website (sfbottlebank.org) we would promote the new program, explain the benefits of recycling. At the BottleBank™ centers there will be monitors that promote the bag drop, give sponsors an ability to promote their own recycling messages, and keep San Franciscans up to date by (transparently) showing various City reduction, reuse,

and recycling data and trends. Almost all messaging would have an education component. We would have a smart phone application, so the users could easily find a mobile center's schedule.

## WORK PLAN

Beverage Container Recycling Grant Program  
Fiscal Year 2018–19  
RBC30

Directions: **This is a required application document.** List the major activities, steps or tasks necessary to implement your project, including start and completion dates. Provide a logical timeframe for activities, taking into consideration the potential for delays. Include 12 months of CRV volume reporting after the date the program is in place. Email [grantassistance@calrecycle.ca.gov](mailto:grantassistance@calrecycle.ca.gov) for additional rows. After you complete this document, save it to your computer and then upload it to the Documents Tab of your application.

Applicant Name: **SF CRV Convenience Alliance**

| MAJOR MILESTONE(S)   | START DATE      | COMPLETION DATE |
|--|-----------------|-----------------|
| Quarterly beverage container volume collection and reporting.                        | NTP             | Ongoing         |
| e.g. Order and place beverage container recycling bins                               | November 2018   | December 2018   |
| e.g. Design and distribute flyer campaign.   | NTP             | Ongoing         |
| Design mobile unit   | Current         | Dec 2018        |
| Send RFP for mobile unit   | Sept 2018       | Nov 2018        |
| Send RFP for software  | Sept 2018       | Nov 2018        |
| Send RFP for sorting equipment   | Sept 2018       | Nov 2018        |
| Identify RealEstate mobile (and fixed) sites   | Current         | Nov 2018        |
| Confirmation RCBF grant  | Current         | Oct 2018        |
| 1 <sup>st</sup> Progress Report (covering period from NTP – March 31,2019)           | April 1, 2019   | April 15, 2019  |
| Secure additional funding  | Current         | Jan 2019        |
| Certify SB458 Pilot.RC with CalRecycle   | need guidelines | Mar 2019        |
| Release RFP for operator   | Nov 2018        | Feb 2019        |
| Promote CRV recycling w/ IT partners, add sponsors for display                       | Oct 2018        | Mar 2019        |
| Sign leases for mobile and sorting sites   | Current         | Feb 2019        |
| Begin education material development   | Current         | Mar 2019        |
| Hire 2 RC mobile BottleBank QC associates  | Jan 2019        | Mar 2019        |
| 2 <sup>nd</sup> Progress Report (covering period from April 1, 2019 – June 30, 2019) | July 1, 2019    | July 15, 2019   |
| Select Operator, negotiate operating agreement                                       | Mar 2019        | Apr 2019        |
| Soft opening at 16 sites the week of Earth Day                                       | Current         | Apr 2019        |
| Promote bag drop membership, smartphone apps & kiosk use at retail                   | Sept 2018       | Apr 2019        |

DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY  
(CalRecycle)

|  |                 |                  |
|--|-----------------|------------------|
| Promote recycling with key IT partners based in the City                                   | Oct 2019        | Apr 2019         |
| Public education material development  | Nov 2018        | Apr 2019         |
| Measure growth / track data /QC; Report to CR  | Apr 2019        | Jun 2019         |
| ID next best parking lots  | Current         | Jun 2019         |
| 3 <sup>rd</sup> Progress Report (covering period from July 1, 2019 – September 30, 2019)   | October 1, 2019 | October 15, 2019 |
| Identify other parking lots & Solicit schools and churches for their lots                  | Current         | Sept 2019        |
| Promote bag drop for school fundraisers  | Apr 2019        | Sept 2019        |
| Measure growth / track data /QC; Report to CR  | July 2019       | Sept 2019        |
| Promote bag drop membership, smartphone apps & kiosk use at retail                         | Apr 2019        | Sept 2019        |
| Promote Public education   | Apr 2019        | Sept 2019        |
| Purchase order for 2nd sorting line & bag drop mobiles                                     | Aug 2019        | Sept 2019        |
| 4 <sup>th</sup> Progress Report (covering period from October 1, 2019 – December 31, 2019) | January 1, 2020 | January 15, 2020 |
| Promote Holiday Recycling of CRVables  | Jun 2019        | Oct-Dec 2019     |
| Promote bag drop to schools and churches for fundraisers                                   | Oct 2019        | Dec 2019         |
| Promote bag drop membership & Smart phone apps   | Oct 2019        | Dec 2019         |
| Measure growth / track data /QC; Report to CR  | Oct 2019        | Dec 2019         |
| Sign new leases  | Jun 2019        | Nov 2019         |
| Hire 2 more QC associates  | Nov 2019        | Dec 2019         |
| 5 <sup>th</sup> Progress Report (covering period from January 1, 2020 – March 31, 2020)    | April 1, 2020   | April 15, 2020   |
| Roll out second wave of mobiles, add 2nd sorting line, DOUBLE CAPACITY                     | May 2020        | Mar 2020         |
| Certify new RCs with CalRecycle  | Feb 2020        | Mar 2020         |
| Promote SmartPhone app for BottleBank  | Jan 2020        | Mar 2020         |
| measure growth / track data /QC; Report to CR  | Jan 2020        | Mar 2020         |
| Promote recycling with key IT partners based in the City                                   | Jan 2020        | Mar 2020         |
| Promote Public education   | Jan 2020        | Mar 2020         |
| 6 <sup>th</sup> Progress Report (covering period from April 1, 2020 – June 30, 2020)       | July 1, 2020    | July 15, 2020    |
| Promote to schools and churches for fundraisers and bag drop membership                    | Apr 2020        | Jun 2020         |
| Promote BottleBank and Bag drop as citywide solution solved: BIG Earth Day events          | Nov 2019        | Apr 2020         |

DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY  
(CalRecycle)

|  |                 |                  |
|--|-----------------|------------------|
| Measure growth / track data /QC; Report to CR  | Aor 2020        | Jun 2020         |
| Promote recycling with key IT partners based in the City, smart phone app & kiosks         | Apr 2020        | Jun 2020         |
| Promote Public education   | Apr 2020        | Jun 2020         |
| ID success; invite other communities to bag drop forum                                     | Jan 2020        | Jun 2020         |
| 7 <sup>th</sup> Progress Report (covering period from July 1, 2020 – September 30, 2020)   | October 1, 2020 | October 15, 2020 |
| Promote bag drop to schools and churches for fundraisers                                   | Jul 2020        | Sept 2020        |
| Measure growth / track data /QC; Report to CR  | Jul 2020        | Sept 2020        |
| Promote bag drop membership, smartphone apps & kiosk use at retail                         | Jul 2020        | Sept 2020        |
| Promote Public education   | Jul 2020        | Sept 2020        |
| Invite civic leaders to mobile bag drop fundraisers  | Jan 2020        | Jul - Sept 2020  |
| Create video for monitor highlighting acceptance of bag drop                               | Feb 2020        | Sept 2020        |
| 8 <sup>th</sup> Progress Report (covering period from October 1, 2020 – December 31, 2020) | January 1, 2021 | January 15, 2021 |
| Promote Holiday Recycling of CRVables  | Mar 2020        | Oct-Dec 2020     |
| Promote bag drop to schools and churches for fundraisers                                   | Oct 2020        | Dec 2020         |
| Measure growth / track data /QC; Report to CR  | Oct 2020        | Dec 2020         |
| Show video on monitor highlighting acceptance of bag drop                                  | Oct 2020        | Dec 2020         |
| Promote Public education   | Oct 2020        | Dec 2020         |
| Promote bag drop membership, smartphone apps & kiosk use at retail                         | Oct 2020        | Dec 2020         |
| 9 <sup>th</sup> Progress Report (covering period from January 1, 2021 – March 31, 2021)    | April 1, 2021   | April 15, 2021   |
| measure growth / track data /QC; Report to CR  | Jan 2021        | Mar 2021         |
| Start Draft Final Report   | May 1, 2021     |                  |
| Submit Draft Final Report to Grant Manager   | June 1, 2021    |                  |
| Submit Final Report and final invoice to Grant Manager                                     |                 | June 30, 2021    |
| Last day to incur costs  |                 | June 30, 2021    |
| Grant terminates   | Dec 2020        | June 30, 2021    |

**BUDGET**  
**Beverage Container Recycling Grant Program**  
**Fiscal Year 2018–19 and 2019–20**  
**RBC 30 and RBC 31**

Directions: **This is a required application document.** Include the total dollar amount in each applicable budget category shown below. Add rows to each section as needed. After you complete this document, save it to your computer and then upload it to the Documents tab of your application. A completed Example and the Criteria can be found on the following tabs.

|   |                   |
|---|-------------------|
| <b>SF CRV Convenience Alliance</b>                                    |                   |
| <b>ADMINISTRATIVE</b>   |                   |
| <b>Operating Expenses</b>   |                   |
| Rent/leases @\$500/4 hr shift   | 234500.00         |
| Project Management @\$125/hr  | 67000.00          |
| Operations Management @\$100/hr                                       | 60000.00          |
|   |                   |
| Subtotal  | <b>361500.00</b>  |
| <b>EDUCATION</b>  |                   |
| <b>Public Education and Outreach/School Education/Media/Materials</b> |                   |
| <b>Not to exceed 25 percent of total grant award</b>                  |                   |
| Smart Phone App   |                   |
| Bag Drop Outreach campaign  |                   |
|   |                   |
| Subtotal  | <b>167500.00</b>  |
| <b>EQUIPMENT</b>  |                   |
| 2 mobile Recycling Center units per year                              | 167500.00         |
| One 10 million CRVable capacity sorting table per year                | 83750.00          |
| Software Design, Engineering, Insurance                               | 83750.00          |
|   |                   |
| Subtotal  | <b>335000.00</b>  |
| <b>PERSONNEL</b>  |                   |
| <b>List Consultant, Title, Total Hours and Rate of Pay</b>            |                   |
| Quality Control \$45/hr   | 121000.00         |
| Lawyer \$550/hr.  | 15000.00          |
|   |                   |
| Subtotal  | <b>136000.00</b>  |
|   |                   |
| <b>Total Budgeted Expenses</b>  | <b>1000000.00</b> |
|   |                   |



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**PUBLIC RESOURCES CODE - PRC**
**DIVISION 30. WASTE MANAGEMENT [40000 - 49620]** (*Division 30 added by Stats. 1989, Ch. 1096, Sec. 2.*)

**PART 7. OTHER PROVISIONS [47000 - 48706]** (*Part 7 added by Stats. 1989, Ch. 1095, Sec. 22.*)

**CHAPTER 2. Finances [47901 - 48028]** (*Chapter 2 added by Stats. 1989, Ch. 1095, Sec. 22.*)

**ARTICLE 2. Management of the Fund [48000 - 48008]** (*Heading of Article 2 added by Stats. 1990, Ch. 35, Sec. 89.*)

**48000.** (a) Each operator of a disposal facility shall pay a fee quarterly to the State Board of Equalization, which is based on the amount, by weight or volumetric equivalent, as determined by the Department of Resources Recycling and Recovery, of all solid waste disposed of at each disposal site.

(b) (1) The fee for solid waste disposed of shall be one dollar and thirty-four cents (\$1.34) per ton. Commencing with the 1995-96 fiscal year, the amount of the fee shall be established by the Department of Resources Recycling and Recovery at an amount that is sufficient to generate revenues equivalent to the approved budget for that fiscal year, including a prudent reserve, but shall not exceed one dollar and forty cents (\$1.40) per ton.

(2) On and after July 1, 2012, the amount of the fee established by the Department of Resources Recycling and Recovery pursuant to paragraph (1) shall be increased by twelve cents (\$0.12) per ton for each operator of a solid waste landfill whose owner has notified the department that it elects to participate in the State Solid Waste Postclosure and Corrective Action Trust Fund pursuant to Article 2.1 (commencing with Section 48010).

(c) The Department of Resources Recycling and Recovery shall notify the state board on the first day of the period in which the rate shall take effect of any rate change adopted pursuant to paragraphs (1) and (2) of subdivision (b).

(d) The Department of Resources Recycling and Recovery and the state board shall ensure that all of the fees for solid waste imposed pursuant to this section that are collected at a transfer station are paid to the state board in accordance with this article.

(e) (1) The fee imposed by paragraph (2) of subdivision (b) shall not be operative on or after July 1, 2012, unless the Department of Resources Recycling and Recovery receives, on or before January 1, 2012, letters of participation in the State Solid Waste Postclosure and Corrective Action Trust Fund from landfill owners representing at least 50 percent of the total volume of waste disposed of in 2010.

(2) The Department of Resources Recycling and Recovery shall notify the state board, on or before February 29, 2012, if the fee imposed by paragraph (2) of subdivision (b) shall become operative pursuant to paragraph (1).

(Amended by Stats. 2010, Ch. 417, Sec. 1. (AB 1004) Effective January 1, 2011.)

**48001.** The revenue from the fees paid pursuant to paragraph (1) of subdivision (b) of Section 48000 shall, after payment of refunds and administrative costs of collection, be deposited in the Integrated Waste Management Account, which is hereby created in the fund.

(Amended by Stats. 2009, Ch. 318, Sec. 2. (AB 274) Effective January 1, 2010.)

**48001.5.** (a) The revenue from the fees paid pursuant to paragraph (2) of subdivision (b) of Section 48000 shall, after payment of refunds and administrative costs of collection, be deposited in the State Solid Waste Postclosure and Corrective Action Trust Fund, which is hereby created in the State Treasury.

(b) Fees, revenues, and all interest earned shall be available to the board, upon appropriation by the Legislature, to carry out the purposes of Article 2.1, including all of the following:

(1) Corrective action and postclosure activities pursuant to subdivision (b) of Section 48011.

(2) Administrative costs incurred by the board in implementing Article 2.1.

(3) Any startup costs incurred by the board in implementing Article 2.1 that were incurred before fees were paid pursuant to paragraph (2) of subdivision (b) of Section 48000.

*(Added by Stats. 2009, Ch. 318, Sec. 3. (AB 274) Effective January 1, 2010.)*

**48002.** The state board shall adopt rules and regulations to carry out Section 48000, including, but not limited to, provisions governing collections, reporting, refunds, and appeals.

*(Added by Stats. 1989, Ch. 1095, Sec. 22.)*

**48003.** The state board may not spend more than 1/2 percent of the total revenues deposited, or anticipated to be deposited, in the account during a fiscal year for the administration of this chapter during that fiscal year.

*(Amended by Stats. 2003, Ch. 742, Sec. 8. Effective January 1, 2004.)*

**48004.** (a) The money in the account shall be used by the Department of Resources Recycling and Recovery, upon appropriation by the Legislature, for the following purposes:

(1) The administration and implementation of this division by the Department of Resources Recycling and Recovery.

(2) The state water board's and regional water boards' administration and implementation of Division 7 (commencing with Section 13000) of the Water Code at solid waste disposal sites.

(b) It is the intent of the Legislature that an amount that is sufficient to fund state water board and regional water board regulatory activities for solid waste landfills be appropriated from the account by the Legislature in the annual Budget Act. Those persons who are required to pay the fee imposed pursuant to Section 48000 shall not be required to pay the annual fee imposed pursuant to subdivision (d) of Section 13260 of the Water Code with regard to the same discharge if the requirements for the waiver of that fee set forth in paragraph (3) of subdivision (d) of Section 13260 of the Water Code are met.

(c) Notwithstanding subdivisions (a) and (b), if the fee established pursuant to Section 48000 does not generate revenues sufficient to fund the programs specified in this section, or if the amount appropriated by the Legislature for these purposes is reduced, those reductions shall be equally and proportionally distributed between funding for the solid waste programs of the state water board and the regional water boards and the Department of Resources Recycling and Recovery.

*(Amended by Stats. 2010, Ch. 718, Sec. 20. (SB 855) Effective October 19, 2010.)*

**48005.** Unless otherwise specified, all money received by the board shall be deposited in the Integrated Waste Management Account and shall be used by the board, upon appropriation by the Legislature, for the purposes for which it was collected or, if not expressly specified for a particular purpose, for the purposes of this division, except Part 6 (commencing with Section 46000), which shall be funded by fees pursuant to Section 46801.

*(Added by Stats. 1989, Ch. 1095, Sec. 22.)*

**48006.** The board may exempt from all fees any operator of a solid waste landfill that receives less than a monthly average of five tons per operating day of solid waste.

*(Added by Stats. 1989, Ch. 1095, Sec. 22.)*

**48007.** (a) Recycled materials and inert waste removed from the waste stream and not disposed of in a solid waste landfill shall not be included for the purpose of assessing fees imposed pursuant to Section 48000.

(b) For purposes of this section, and only for the purpose of determining whether fees shall be imposed pursuant to Section 48000, "inert waste removed from the waste stream and not disposed of in solid waste landfills" includes the use, disposal, or placement of solely inert waste on property where surface mining operations, as defined in Section 2735, are being conducted, or have been conducted previously, as long as the use, disposal, or placement is for purposes of reclamation, as defined in Section 2733, pursuant to either of the following:

(1) A reclamation plan approved pursuant to Section 2774.

(2) For surface mining operations conducted prior to January 1, 1976, an agreement with a city or county, or a permit issued by a city or county, that provides for a fill appropriately engineered for the planned future use of the reclaimed minesite.

(c) For purposes of this section, "inert waste" means rock, concrete, brick, sand, soil, and cured asphalt only. In addition, inert waste does not include any waste that meets the definition of "designated waste" as defined in

Section 13173 of the Water Code or "hazardous waste" as defined by Section 40141.

(d) This section shall remain operative until the operative date of the regulations adopted by the board pursuant to Section 48007.5 and, as of the January 1 following that operative date, this section is repealed, unless a later enacted statute deletes or extends the dates on which it becomes inoperative and is repealed.

*(Amended (as amended by Stats. 1999, Ch. 600, Sec. 6) by Stats. 2001, Ch. 811, Sec. 1. Effective January 1, 2002. Inoperative on date prescribed by its own provisions. Repealed on January 1 after inoperative date, by its own provisions. See later operative version, as amended by Sec. 2 of Ch. 811.)*

**48007.** (a) Recycled materials and inert waste removed from the waste stream and not disposed of in a solid waste landfill shall not be included for the purpose of assessing fees imposed pursuant to Section 48000.

(b) This section shall become operative on the operative date of the regulations adopted by the board pursuant to Section 48007.5.

*(Amended (as added by Stats. 1999, Ch. 600, Sec. 7) by Stats. 2001, Ch. 811, Sec. 2. Effective January 1, 2002. Section operative on date prescribed in subd. (b).)*

**48007.5.** (a) On or before January 1, 2004, the board shall adopt and file with the Secretary of State, pursuant to Section 11346.2 of the Government Code, regulations that establish an appropriate level of oversight of the management of construction and demolition waste, and the management of inert waste at mine reclamation sites.

(b) For purposes of this section, "inert waste" has the same meaning as defined in subdivision (c) of Section 48007, as that section read on January 1, 2002.

*(Added by Stats. 2001, Ch. 811, Sec. 3. Effective January 1, 2002.)*

**48008.** (a) Any operator of a solid waste landfill that pays a fee pursuant to this chapter may impose on its users an administrative fee of not more than 5 percent of the fees paid to the State Board of Equalization during the previous quarter pursuant to Section 48000.

(b) Administrative fees imposed pursuant to subdivision (a) shall reflect, to the extent feasible, the actual costs of collecting and accounting for fees paid to the State Board of Equalization.

*(Amended by Stats. 1990, Ch. 1355, Sec. 57. Effective September 27, 1990.)*



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### PUBLIC RESOURCES CODE - PRC

**DIVISION 12.1. CALIFORNIA BEVERAGE CONTAINER RECYCLING AND LITTER REDUCTION ACT [14500 - 14599]** (  
*Division 12.1 added by Stats. 1986, Ch. 1290, Sec. 2.*)

### CHAPTER 7. Financial Provisions [14580 - 14587]

(*Chapter 7 added by Stats. 1986, Ch. 1290, Sec. 2.*)

**14581.** (a) Subject to the availability of funds and in accordance with subdivision (b), the department shall expend the moneys set aside in the fund, pursuant to subdivision (c) of Section 14580, for the purposes of this section in the following manner:

(1) For each fiscal year, the department may expend the amount necessary to make the required handling fee payment pursuant to Section 14585.

(2) Fifteen million dollars (\$15,000,000) shall be expended annually for payments for curbside programs and neighborhood dropoff programs pursuant to Section 14549.6.

(3) (A) Ten million five hundred thousand dollars (\$10,500,000) may be expended annually for payments of five thousand dollars (\$5,000) to cities and ten thousand dollars (\$10,000) for payments to counties for beverage container recycling and litter cleanup activities, or the department may calculate the payments to counties and cities on a per capita basis, and may pay whichever amount is greater, for those activities.

(B) Eligible activities for the use of these funds may include, but are not necessarily limited to, support for new or existing curbside recycling programs, neighborhood dropoff recycling programs, public education promoting beverage container recycling, litter prevention, and cleanup, cooperative regional efforts among two or more cities or counties, or both, or other beverage container recycling programs.

(C) These funds shall not be used for activities unrelated to beverage container recycling or litter reduction.

(D) To receive these funds, a city, county, or city and county shall fill out and return a funding request form to the department. The form shall specify the beverage container recycling or litter reduction activities for which the funds will be used.

(E) The department shall annually prepare and distribute a funding request form to each city, county, or city and county. The form shall specify the amount of beverage container recycling and litter cleanup funds for which the jurisdiction is eligible. The form shall not exceed one double-sided page in length, and may be submitted electronically. If a city, county, or city and county does not return the funding request form within 90 days of receipt of the form from the department, the city, county, or city and county is not eligible to receive the funds for that funding cycle.

(F) For the purposes of this paragraph, per capita population shall be based on the population of the incorporated area of a city or city and county and the unincorporated area of a county. The department may withhold payment to any city, county, or city and county that has prohibited the siting of a supermarket site, caused a supermarket site to close its business, or adopted a land use policy that restricts or prohibits the siting of a supermarket site within its jurisdiction.

(4) One million five hundred thousand dollars (\$1,500,000) may be expended annually in the form of grants for beverage container recycling and litter reduction programs.

(5) (A) The department shall expend the amount necessary to pay the processing payment established pursuant to Section 14575. The department shall establish separate processing fee accounts in the fund for each beverage container material type for which a processing payment and processing fee are calculated pursuant to Section 14575, or for which a processing payment is calculated pursuant to Section 14575 and a voluntary artificial scrap value is calculated pursuant to Section 14575.1, into which account shall be deposited both of the following:

(i) All amounts paid as processing fees for each beverage container material type pursuant to Section 14575.

(ii) Funds equal to the difference between the amount in clause (i) and the amount of the processing payments established in subdivision (b) of Section 14575, and adjusted pursuant to paragraph (2) of subdivision (c) of, and subdivision (f) of, Section 14575, to reduce the processing fee to the level provided in subdivision (e) of Section 14575, or to reflect the agreement by a willing purchaser to pay a voluntary artificial scrap value pursuant to Section 14575.1.

(B) Notwithstanding Section 13340 of the Government Code, the moneys in each processing fee account are hereby continuously appropriated to the department for expenditure without regard to fiscal years, for purposes of making processing payments pursuant to Section 14575.

(6) Up to five million dollars (\$5,000,000) may be annually expended by the department for the purposes of undertaking a statewide public education and information campaign aimed at promoting increased recycling of beverage containers.

(7) Up to ten million dollars (\$10,000,000) may be expended annually by the department for quality incentive payments for empty glass beverage containers pursuant to Section 14549.1.

(8) (A) (i) For the 2018–19 fiscal year, the department may expend up to fifteen million dollars (\$15,000,000) for market development payments to reclaimers and product manufacturers, pursuant to Section 14549.2.

(ii) Of the total amount authorized for expenditure by this subparagraph, up to five million dollars (\$5,000,000) may be expended for market development payments to reclaimers for the activities described in paragraph (1) of subdivision (c) of Section 14549.2, and to product manufacturers for the activities described in paragraph (2) of subdivision (c) of 14549.2 as that section read on June 30, 2018, that occurred during the period from January 1, 2018, to June 30, 2018, inclusive.

(B) For the 2019–20 fiscal year to the 2021–22 fiscal year, inclusive, the department may expend up to ten million dollars (\$10,000,000) each fiscal year for market development payments to reclaimers and product manufacturers, pursuant to Section 14549.2.

(C) For purposes of this paragraph, the definitions in subdivision (a) of Section 14549.2 apply.

(b) (1) If the department determines, pursuant to a review made pursuant to Section 14556, that there may be inadequate funds to pay the payments required by this division, the department shall immediately notify the appropriate policy and fiscal committees of the Legislature regarding the inadequacy.

(2) On or before 180 days, but not less than 80 days, after the notice is sent pursuant to paragraph (1), the department may reduce or eliminate expenditures, or both, from the funds as necessary, according to the procedure set forth in subdivision (c).

(c) If the department determines that there are insufficient funds to make the payments specified pursuant to this section and Section 14575, the department shall reduce all payments proportionally.

(d) Before making an expenditure pursuant to paragraph (6) of subdivision (a), the department shall convene an advisory committee consisting of representatives of the beverage industry, beverage container manufacturers, environmental organizations, the recycling industry, nonprofit organizations, and retailers to advise the department on the most cost-effective and efficient method of the expenditure of the funds for that education and information campaign.

*(Amended by Stats. 2018, Ch. 453, Sec. 3. (SB 875) Effective September 17, 2018.)*



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**PUBLIC RESOURCES CODE - PRC**
**DIVISION 30. WASTE MANAGEMENT [40000 - 49620]** *( Division 30 added by Stats. 1989, Ch. 1096, Sec. 2. )*
**PART 3. STATE PROGRAMS [42000 - 42999]** *( Part 3 added by Stats. 1989, Ch. 1096, Sec. 2. )*
**CHAPTER 1. Market Development Programs [42000 - 42024]** *( Chapter 1 added by Stats. 1993, Ch. 733, Sec. 2. )*
**ARTICLE 3. Market Development Zone Program [42010 - 42024]** *( Article 3 added by Stats. 1993, Ch. 733, Sec. 2. )*

**42010.** (a) The local governing body may, either by ordinance or resolution, upon the recommendation of the appropriate land use planning agency, propose eligible parcels of property within its jurisdiction as a recycling market development zone.

(b) The proposal of a recycling market development zone shall be based upon the following findings by the local governing body:

(1) The current waste management practices and conditions are favorable to the development of postconsumer waste material markets.

(2) The designation as a recycling market development zone is necessary to assist in attracting private sector recycling investments to the area.

*(Amended by Stats. 1999, Ch. 467, Sec. 2. Effective January 1, 2000.)*

**42011.** Any parcel of property designated as a recycling market development zone shall retain this designation for 10 years.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42012.** The local governing body, or any person through the local governing body, may apply to the board for designation as a recycling market development zone.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42013.** The board shall adopt regulations and guidelines concerning the necessary contents of each application for designation and, in the countywide integrated waste management plans, shall determine the maximum number of recycling market development zones to be designated pursuant to this chapter.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42014.** The board may designate or redesignate recycling market development zones for persons applying for that designation.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42015.** If there are more applications for designation than the number of recycling market development zones to be designated, the board shall select the applicants who shall receive the designation of a recycling market development zone based on a comparison of the applications submitted and an indication that the applicant's proposals include effective, innovative, and comprehensive tax incentives and regulatory incentives, and other incentives programs, to attract private sector investment in the proposed recycling market development zone.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42016.** For the purpose of Section 42015, "regulatory incentives" include, but are not limited to, all of the following:

(a) The suspension or relaxation of locally originated or modified building codes, zoning laws, and general plans.

(b) The elimination or reduction of fees for applications, permits, and local government services, and the establishment of a streamlined local permit process.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42017.** For purposes of Section 42015, "tax incentives" include, but are not limited to, the elimination or reduction of construction taxes or business license taxes.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42018.** For purposes of Section 42015, "other incentives" may include, but are not limited to, all of the following:

(a) The provision for expansion of infrastructure.

(b) Provisions for increased amounts of recyclable feedstock.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42019.** In evaluating an application for the designation of a recycling market development zone, the board shall consider the amount of landfill capacity remaining in the jurisdiction where the zone would be located.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42020.** In evaluating an application for the designation of a recycling market development zone, the board shall not deny the application solely because of technical deficiencies. The board shall provide applicants with an opportunity to correct technical deficiencies. An application shall be denied if technical deficiencies are not corrected within 14 days.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42021.** Nothing in this chapter prohibits an applicant from seeking designation of an enterprise zone and receiving economic incentives as defined in Section 7073 of the Government Code.

*(Amended by Stats. 2004, Ch. 225, Sec. 62. Effective August 16, 2004.)*

**42023.** Nothing in this section shall be interpreted to limit the authority of local governments to make land use decisions within their jurisdiction.

*(Added by Stats. 1993, Ch. 733, Sec. 2. Effective January 1, 1994.)*

**42023.1.** (a) The Recycling Market Development Revolving Loan Subaccount is hereby created in the account for the purpose of providing loans for purposes of the Recycling Market Development Revolving Loan Program established pursuant to this article and for making payments pursuant to subdivision (g).

(b) Notwithstanding Section 13340 of the Government Code, the moneys deposited in the subaccount are hereby continuously appropriated to the department without regard to fiscal year for making loans pursuant to this article and for making payments pursuant to subdivision (g).

(c) The department may expend interest earnings on moneys in the subaccount for administrative expenses incurred in carrying out the Recycling Market Development Revolving Loan Program, upon the appropriation of moneys in the subaccount for that purpose in the annual Budget Act.

(d) The moneys from loan repayments and fees, including, but not limited to, principal and interest repayments, fees and points, recovery of collection costs, income earned on an asset recovered pursuant to a loan default, and funds collected through foreclosure actions shall be deposited in the subaccount.

(e) All interest accruing on interest payments from loan applicants shall be deposited in the subaccount.

(f) The department may expend the moneys in the subaccount to make loans to local governing bodies, private businesses, and nonprofit entities within recycling market development zones, or in areas outside zones where partnerships exist with other public entities to assist local jurisdictions to comply with Section 40051.

(g) The department may expend the moneys in the subaccount to make payments to local governing bodies within a recycling market zone for services related to the promotion of the zone. The services may include, but are not limited to, training, outreach, development of written promotional materials, and technical analyses of feedstock availability.

(h) The department shall not fund a loan until it determines that the applicant has obtained all significant applicable federal, state, and local permits. The department shall determine which applicable federal, state, and local permits

are significant.

(i) The department shall establish and collect fees for applications for loans authorized by this section. The application fee shall be set at a level that is sufficient to fund the department's cost of processing applications for loans. In addition, the department shall establish a schedule of fees or points for loans that are entered into by the department, to fund the department's administration of the revolving loan program.

(j) The department may expend moneys in the subaccount for the administration of the Recycling Market Development Revolving Loan Program, upon the appropriation of moneys in the subaccount for that purpose in the annual Budget Act. In addition, the department may expend moneys in the account to administer the revolving loan program, upon the appropriation of moneys in the account for that purpose in the annual Budget Act. However, funding for the administration of the revolving loan program from the account shall be provided only if there are not sufficient moneys in the subaccount to fully fund the administration of the program.

(k) The department, pursuant to subdivision (a) of Section 47901, may set aside moneys for the purposes of paying costs necessary to protect the state's position as a lender-creditor. These costs shall be broadly construed to include, but not be limited to, foreclosure expenses, auction fees, title searches, appraisals, real estate brokerage fees, attorney's fees, mortgage payments, insurance payments, utility costs, repair costs, removal and storage costs for repossessed equipment and inventory, and additional expenditures to purchase a senior lien in foreclosure or bankruptcy proceedings.

(l) (1) Except as provided in paragraph (2), this section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the date on which it becomes inoperative and is repealed.

(2) The repeal of this section pursuant to paragraph (1) shall not extinguish any loan obligation or the authority of the state to pursue appropriate actions for the collection of a loan.

*(Amended by Stats. 2016, Ch. 86, Sec. 260. (SB 1171) Effective January 1, 2017. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42023.2.** (a) Upon authorization by the Legislature in the annual Budget Act, the Controller shall transfer a sum, as available, from the account to the subaccount as necessary to meet anticipated loan demand under the program.

(b) (1) Except as provided in paragraph (2), this section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the date on which it becomes inoperative and is repealed.

(2) (A) The repeal of this section pursuant to paragraph (1) shall not extinguish any loan obligation or the authority of the state to pursue appropriate actions for the collection of a loan.

(B) The department shall not be obligated to pay interest on the amount appropriated from the account to the subaccount pursuant to subdivision (a). This subparagraph shall apply retroactively from January 1, 1992.

*(Amended by Stats. 2010, Ch. 275, Sec. 3. (SB 390) Effective January 1, 2011. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42023.3.** (a) All money remaining in the subaccount on July 1, 2021, and all money received as repayment and interest on loans shall, as of July 1, 2021, be transferred to the account and any money due and outstanding on loans as of July 1, 2021, shall be repaid to the department and deposited by the department in the account until paid in full, except that, upon authorization by the Legislature in the annual Budget Act, interest earnings may be expended for administrative costs associated with the collection of outstanding loan accounts.

(b) (1) Except as provided in paragraph (2), this section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the dates on which it becomes inoperative and is repealed.

(2) The repeal of this section pursuant to paragraph (1) shall not extinguish any loan obligation or the authority of the state to pursue appropriate actions for the collection of a loan.

*(Amended by Stats. 2010, Ch. 275, Sec. 4. (SB 390) Effective January 1, 2011. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42023.4.** (a) A loan made pursuant to Section 42023.1 shall be subject to all of the following requirements:

(1) The terms of an approved loan shall be specified in a loan agreement between the borrower and the department. The loan agreement shall include a requirement that the failure to comply with the agreement shall result in any remaining unpaid amount of the loan, with accrued interest, being immediately due and payable. Notwithstanding any term of the agreement, a recipient of a loan that the department approves shall repay the

principal amount, plus interest on the basis of the rate of return for money in the Surplus Money Investment Fund at the time of the loan commitment. All money received as repayment and interest on loans made pursuant to this section shall be deposited in the subaccount.

(2) The term of a loan made pursuant to this section shall be not more than 10 years when collateralized by assets other than real estate, or not more than 15 years when partially or wholly collateralized by real estate.

(3) The department shall approve only those loan applications that demonstrate the applicant's ability to repay the loan. The highest priority for funding shall be given to projects that demonstrate that the project will increase market demand for recycling the project's type of postconsumer waste material.

(4) The department shall not finance more than three-fourths of the cost of a project or two million dollars (\$2,000,000), whichever is less.

(5) The Department of Finance may audit the expenditure of the proceeds of a loan made pursuant to Section 42023.1 and this section.

(b) (1) Except as provided in paragraph (2), this section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the dates on which it becomes inoperative and is repealed.

(2) The repeal of this section pursuant to paragraph (1) shall not extinguish any loan obligation or the authority of the state to pursue appropriate actions for the collection of a loan.

*(Amended by Stats. 2010, Ch. 275, Sec. 5. (SB 390) Effective January 1, 2011. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42023.5.** (a) The department shall, as part of the annual report to the Legislature, pursuant to Section 40507, include a report on the performance of the Recycling Market Development Revolving Loan Program, including the number and size of loans made, characteristics of loan recipients, projected loan demand, and the cost of administering the program.

(b) This section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the date on which it becomes inoperative and is repealed.

*(Amended by Stats. 2010, Ch. 275, Sec. 6. (SB 390) Effective January 1, 2011. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42023.6.** (a) The department shall encourage applicants to seek participation from private financial institutions or other public agencies. For purposes of enabling the department and local agencies to comply with Sections 40051 and 41780, the department may participate, in an amount not to exceed five hundred thousand dollars (\$500,000), in the Capital Access Loan Program as provided in Article 8 (commencing with Section 44559) of Chapter 1 of Division 27 of the Health and Safety Code.

(b) For purposes of participating in the Capital Access Loan Program, as specified in subdivision (a), or in a program that leverages subaccount funds, the department may operate both inside and outside the recycling market development zones.

(c) (1) Except as provided in paragraph (2), this section shall become inoperative on July 1, 2021, and as of January 1, 2022, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2022, deletes or extends the date on which it becomes inoperative and is repealed.

(2) The repeal of this section pursuant to paragraph (1) shall not extinguish any loan obligation or the authority of the state to pursue appropriate actions for the collection of a loan.

*(Amended by Stats. 2010, Ch. 275, Sec. 7. (SB 390) Effective January 1, 2011. Inoperative July 1, 2021. Repealed as of January 1, 2022, by its own provisions.)*

**42024.** The board, the Treasurer, and other appropriate state agencies shall, to the extent feasible and as appropriate, coordinate activities that will leverage financing for market development projects and encourage joint activities to strengthen markets for recycled materials.

*(Amended by Stats. 2004, Ch. 225, Sec. 64. Effective August 16, 2004.)*

OFFICE OF THE MAYOR  
SAN FRANCISCO



LONDON N. BREED  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Mayor London Breed *KKC*  
RE: Apply for Grants – California Department of Resources Recycling and  
Recovery Funds  
DATE: September 25, 2018

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**Resolution authorizing the Department of the Environment to submit applications on behalf of the City and County of San Francisco for all grants offered by the California Department of Resources Recycling and Recovery for which it is eligible.**

Should you have any questions, please contact Kanishka Karunaratne Cheng at 554-6696

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BY *[Signature]*