



**Universal Recycling
Grant and Low Interest Loan
Guidance**

The Delaware Department of Natural Resources and Environmental Control (DNREC) is now accepting applications for Universal Recycling Grant and Low Interest Loans (Grant and Loan). This is the third Grant and Loan offer from DNREC with approximately \$3 million available for this offering. Emphasis will be placed on providing assistance to those entities responsible for compliance with the commercial component of the Universal Recycling legislation. Applications must be submitted no later than 4:30 p.m. on March 28, 2013. Grant and Loan awards are expected to be announced in late-April and projects must be completed by January 1, 2014.

I. Purpose

The Universal Recycling Grant and Low Interest Loan Program was established by the Delaware Solid Waste Recycling Law (7 Del. C. §6055). It was created as a competitive program to assist persons engaged in the business of collecting, transporting, processing, or marketing recyclable materials with the implementation of:

- a. Source separated recyclables collection and processing with emphasis on start up costs for residential single-stream recyclables collection; and
- b. Start-up costs for initiatives which result in recycling of solid waste materials which would otherwise be land disposed, with emphasis on commercial waste.

Implementation of these recycling programs will be necessary to significantly increase the existing Municipal Solid Waste (MSW) diversion rate of approximately 37.4% and to meet the following diversion goals established in Table 1 of 7 Del. C. §6056.

Table 1. Interim Zero Waste Diversion Goals¹		
Date by which goal is to be achieved	Solid Waste Diverted from disposal	Municipal Solid Waste Diverted from disposal
January 1, 2015	72%	50%
January 1, 2020	85%	60%
¹ By weight		

II. Grant and Loan Focus, Priorities and Terms

The intent of the Solid Waste Recycling Law is to create an environment wherein all residents and all businesses actively participate in recycling. This is accomplished by establishing aggressive recycling goals, offering the Grant and Loan program, and by requiring the implementation of prescribed recycling programs by a set date. Specifically, Grant and Loan emphasis is placed on satisfying the statutory requirements found in 7 Del. C. §6053; which required the implementation of single-family, single stream recycling by September 15, 2011, multi-family, single stream recycling by January 1, 2013, and which requires implementation of comprehensive recycling in the commercial sector by January 1, 2014. This is not to say that other recycling proposals will not be considered, particularly ones that result in noteworthy diversion of waste from disposal. However, the grant and loan program has limits on the amount of funding available. As such, awards cannot exceed the funds available for the Grant and Loan program.

The funding priority for this offering will be for comprehensive recycling in the commercial sector.

The Solid Waste Recycling Law includes the express requirement that “Universal Recycling be adopted by the commercial sector and that all commercial businesses actively participate in a comprehensive recycling program no later than January 1, 2014”. The “commercial sector” includes for profit or not-for profit retail or wholesale stores, offices, food service establishments, warehouses, and other manufacturing, industrial or processing activities, and institutions such as social, charitable, educational, health care, professional and government services.

Please note that partial awards are a possibility. An applicant is not precluded from submitting multiple grant or loan applications. All applicants who choose to submit multiple applications are highly encouraged to ensure that each application and proposal can stand alone and is competitive.

Low-interest loans are possible through this program. Applicants who want a loan must clearly indicate on the application that the application is for a loan. Because it is possible to receive partial grant funding, the opportunity to apply for a loan to supplement grant costs may be available to successful applicants whose requested grant amount is not fully awarded. Applicants who are selected to receive partial funding must indicate their interest in a loan within 7 days of receiving the grant award notification which is sent to all successful applicants. **Please note:** In order to qualify for a loan, applicants may be subject to the submittal of additional documentation within 45 days. Applicants must qualify for any loan request by demonstrating credit worthiness and meeting the required loan criteria. An invitation to apply for a loan does not guarantee an applicant will qualify for loan funding.

III. Eligibility

Eligibility defined:

- Eligible applicants are those persons engaged in the business of collecting, transporting, processing, or marketing recyclable materials. Eligible applicants include those persons who contract for these services; however, applicants who contract for these services are restricted to the eligible costs defined immediately below and must be able to clearly demonstrate a savings in the contractual service as a result of any grant or loan assistance awarded. Requests for payment of contractual services will not be considered.
- Eligible costs under this grant and loan program are capital equipment costs, outreach and education costs, and studies that identify the most efficient means to comply with the requirements of the Universal Recycling program.

- Costs for initiatives with an emphasis on collection and processing of commercial waste, which result in the recycling of solid waste materials which would otherwise be land disposed, will be the first priority.
- Programs engaged in collection of multi-family, single-stream residential recyclables may be considered, provided:
 - the focus is on outreach/education; and
 - the applicant shall not, as a result of implementation of Universal Recycling, increase rates charged for solid waste collection until March 15, 2014; and
 - adequate funding is available.

Ineligible costs, entities and activities include:

- Single-family, single-stream residential recyclable collection programs;
- Contractual services for the cost of recyclables collection;
- Scenarios that result in double payment for services rendered (for example: a municipality that contracts for waste services applies for a grant to cover the cost of carts but must pay a waste service fee that does not account for the cart cost savings);
- Activities outside Delaware (note: transporting collected recyclables out-of-state is permissible; however, assistance with out-of-state transportation costs is not eligible for funding);
- Routine refuse and solid waste removal (excluding implementation of curbside collection of recyclables and Pay-As-You-Throw waste collection);
- Any activities that do not contribute to increasing the diversion rate;
- Site improvements not related to eligible activities;
- Contingency funds or investments of any type;
- Food and Entertainment costs of any kind;
- Permit fees and ongoing contracts for services where such costs are borne by public entities (this is most commonly found where an entity contracts out for recycling services and recoups the costs from the residents being served);
- Unrelated debts;
- Operations costs including but not limited to fuel, labor & maintenance;
- State executive branch agencies, departments and offices required to comply with Executive Order Eighteen;
- Homeowners transporting their own waste and recyclables;
- Any other activities that do not directly contribute to increasing the diversion rate; and
- Anything contrary to state law.

Note: Other restrictions on the use of the funds may be added at the time of the award based on the specifics of the project.

IV. Application Deadline & Requirements

- a. **Deadline** - One application **with signature** must be scanned and submitted electronically by email to DNREC_Recycling_Grants@state.de.us by 4:30 p.m. on March 28, 2013. A blank electronic application will be available at www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx and must be used for electronic submittals. All applicants will receive confirmation of their electronic submission within 72 business hours of receipt.

If an applicant is unable to submit an electronic application the applicant must submit one **signed**, typewritten, original application package. The application packages should be printed on recycled content paper, printed double-sided, and bound with a paperclip or staple (no binders please). The application must have the same format as the blank electronic application available at www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx, and must be received by 4:30 p.m. on March 28, 2013. For mailed applications, the use of a mail tracking system is highly encouraged. DNREC is not responsible for applications lost in the mail.

DNREC – Recycling Grant & Loan Program
Solid and Hazardous Waste Management Section
89 Kings Highway
Dover, Delaware 19901
Attn: Jim Short

Applications that are incomplete, that do not meet the eligibility criteria, or that are not received by the deadline will be deemed ineligible for consideration.

b. Requirements - The Recycling Grant and Low Interest Loan Program is competitive and as such, only the highest ranking applications may receive funding. It shall be the goal of the Department to announce the selected recipients within six weeks of the application deadline. The application must address the following project categories:

- **Goal** – What will the project accomplish?
- **Benefits** – By whom and by what amount will this project increase diversion of the targeted waste stream?
- **Implementation** – How will this project be implemented and over what timeframe? Please include pertinent implementation benchmarks.
- **Outreach and Education** – By what means will the intended recipients of this project be made aware of the projects availability, requirements for participation and benefits? Commercial recycling toolkits to assist with outreach and education are available online.
- **Performance Measures** – What unit of measure will be used to determine the success of the project, especially if an increase in the tonnage of materials diverted is being used to measure program effectiveness?
- **Sustainability** – How will the project continue once the grant or loan funds have been utilized?
- **Partnering** – Indicate whether or not the opportunity for partnering has been evaluated, whether or not partnering will occur and if yes, please describe the nature of the partnership.
- **Budget** – Please clearly define and itemize the projects expenses. Provide cost estimates, quotes or other supporting documentation. Clearly justify and support all expenditures.
- **Supporting Documentation** – Please include any supporting documentation that will corroborate your application.

Confidentiality – Please note that the Department’s Freedom of Information Act (FOIA) requirements specify the procedures and criteria under which a person may request that certain records or portions of records submitted to the Department be held confidential. For more information visit the Department’s FOIA regulation at: <http://regulations.delaware.gov/AdminCode/title8/900.pdf>.

Also note that the attached application template limits the length of the application by section and in total. Please make sure your application submission does not exceed these limits.

V. Selection Criteria

The criteria listed below will be used as a guideline in evaluating Grant and Loan applications. The Department and the Recycling Public Advisory Council will rate each application based on these criteria. Applicants are strongly advised to take these criteria into consideration in designing their projects and preparing their proposals:

Points*	Criteria
20	<u>Diversion</u> – Applicant demonstrates the material will contribute to meeting the deadlines established in 7 <u>Del. C.</u> §6053, the diversion goals established in 7 <u>Del. C.</u> §6056 and that the diverted materials will be recycled as opposed to land filled or incinerated.
15	<u>Priority Area</u> – Applicant’s project is within the programmatic priorities. Note that during this second phase of the grant program emphasis will be on implementation of comprehensive recycling in the commercial sector.
15	<u>Sustainability</u> – Applicant demonstrates a commitment to sustaining the project beyond the grant term and explains how that commitment will be maintained.
10	<u>Proposal</u> – Applicant has a clear, well written, and thought out proposal that will accomplish the intended goal including a clear timeline for implementation.
10	<u>Outreach</u> – Applicant has an effective plan for outreach to encourage recycling.
10	<u>Budget</u> – Applicant has a clear, well written, and thought out budget with price quotes and a commitment to clearly respond to any questions or concerns DNREC or RPAC may have.
10	<u>Measurement</u> – Applicant has demonstrated the ability to measure material diverted.
10	<u>Efficiency, Effectiveness and Cost Share</u> – Applicants that demonstrate highly efficient and effective programs (such as savings over current rates) and that can provide a cost share toward the total project costs, either in matching cash or in-kind services, may be awarded additional points.
100	Total

VI. Workshops

DNREC staff is available to provide technical and administrative assistance. For more information, contact Jim Short at 302-739-9403 or via email at James.Short@state.de.us. Applications can be downloaded at www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx. The date, time, and location of the Public Information Workshops will be advertised in advance of the workshops.

VII. Award Process & Grant Recipient Responsibilities

Awards Process: Once a grant is approved, DNREC will prepare a Grant Recipient Contract specifying the terms and conditions of agreement. The Contract must be signed by both the applicant’s authorized representative and by DNREC’s Cabinet Secretary. Once the Contract has been signed, no major changes in the project/program may occur in activities, personnel, venue, or budget without advanced approval of DNREC. Grant expenditures are solely for activities described in the Contract.

The awarding of grants and loans is subject to availability of funding and the satisfactory completion of all terms of the contract as determined in DNREC’s sole discretion. Payment of grant and loan funds is subject to the availability of funding pursuant to the provisions of 7 Del. C. §6054. Any grant or loan recipient who does not perform the activities outlined in their proposal to implement Universal Recycling may be precluded from making future grant or loan applications.

Grantee Responsibilities: This is a reimbursement based program. Payment of grant and loan funds is subject to submission of a complete and accurate accounting of all approved project expenses and activities. The grant payment process requires the grantee to submit a report and reimbursement request. If it is determined, at DNREC's sole discretion, that the contract requirements have been satisfied, approval to pay the reimbursement will be granted. ***It is the intent of the Department to issue a one-time total reimbursement within sixty (60) days or less, following the determination that all contract requirements have been satisfied.***

In exceptional instances, for qualifying applicants, the Department may be able to allocate funds directly without requiring a reimbursement if the grantee can demonstrate an advanced need for the funds via an economic hardship with respect to complying with the statutory requirement to provide a recycling service. Direct funding requests will be evaluated on a case-by-case basis.

At a minimum grant and loan recipients will be required to report quarterly on the activity(s) that have been completed to satisfy the grant or loan contract requirements, a discussion of the problems encountered, how they were overcome, the lessons learned and any suggestions for improving the grant and loan process as well as the project that was implemented.

All for-profit agencies awarded funds under this grant and loan program are hereby informed that the funds awarded are subject to state and federal taxes as applicable.

DNREC or any other duly authorized representative shall have access to any books, documents, papers, and records maintained to account for funds expended under the terms and conditions of the grant or loan for the purpose of audits and examinations.

Grant and loan recipients must provide accurate, current, and complete disclosure of financial results of federal/state sponsored projects. Grant and loan recipients must maintain records of cash match and expenditures of state funds for all activities connected with the grant for at least three years. Grantees' financial management systems must provide for effective control over and accountability for all funds, comparison of actual outlays with budgeted amounts, and accounting records that are supported by source documents.

If any grant or loan recipient is unable to complete an approved project, unused funds will be returned to the Delaware Recycling Fund no later than the end of the grant or loan period.

VIII. Other Important Information

Awarding of grants or loans is subject to the availability of funding. Existence of this program is dependent upon funding pursuant to the Delaware Solid Waste Recycling Law (7 Del. C., §6054).

Being awarded a grant or loan does not imply future DNREC funding. Each grant and loan period's applications are considered in relation to all others received during the same grant period.

With the exception of organizations that have already implemented comprehensive recycling programs that meet the intent of Universal Recycling and have already released promotional materials, grant and loan recipients must give credit to DNREC and to the Recycling Public Advisory Council in all news releases and publicity pertaining to the grant activities. The credit shall be worded as follows: "This project is funded in part by a Universal Recycling Grant or Low Interest Loan from the Delaware Department of Natural Resources and Environmental Control and is supported by the Recycling Public

Advisory Council. For information about the Universal Recycling Grant and Low Interest Loan Program, call 302-739-9403.”

All grant and loan recipients who maintain a web page must acknowledge receipt of the Universal Recycling Grant or Low Interest Loan on their web page. The acknowledgment shall include a brief description of the project and the amount of funding received.

Enforcement Provision – Whoever violates the requirements of *Subchapter III. Solid Waste Recycling* in Chapter 60, Title 7 of the Delaware Code is subject to the enforcement provisions of 7 Del. C. §6059. Enforcement, civil and administrative penalties. To view the Universal Recycling Law visit: <http://delcode.delaware.gov/title7/c060/sc03/index.shtml>.

For technical assistance with the grant application process, contact Jim Short at 302-739-9403.