



# Universal Recycling Grants and Low Interest Loan Program Guidance Cycle 7 & Cycle 8

The Delaware Department of Natural Resources and Environmental Control (DNREC) is accepting applications to the Universal Recycling Grants and Low Interest Loan Program. There will be two application opportunities with the same eligibility, criteria, funding priorities, and other terms as outlined in this document. These will be the seventh and eighth Recycling Grant and Loan offerings from DNREC with up to \$1,000,000 available to fund projects and activities. The first opportunity to apply for funding will be April 6, 2016 through June 22, 2016 (Cycle 7) and the second opportunity to apply will be from August 17, 2016 through November 2, 2016 (Cycle 8). The emphasis of these grant cycles is in five priority areas. But various types of projects and expenses may be funded including those outside of the priority areas. Creativity is encouraged and all eligible applications will be given consideration to the extent resources allow.

Applications for Cycle 7 must be submitted no later than 4:00 p.m. on June 22, 2016. Grant and Loan awards for Cycle 7 are expected to be announced in August 2016. Applications for Cycle 8 must be submitted no later than 4:00 p.m. on November 2, 2016. Grant and Loan awards for Cycle 8 are expected to be announced in December 2016.

## I. Background

The Universal Recycling Grants and Low Interest Loan Program (7 Del. C. §6055) was established pursuant to the Delaware Solid Waste Recycling Law. It is a competitive program to assist persons with the implementation of recycling programs and initiatives which result in improved recycling.

Implementation of statewide, universal recycling programs has contributed to significantly increasing the State's recycling diversion rate of 23.2% for 2006 to the most recently reported rate of 41.8% for 2014. It is necessary to build on progress in the single family residential sector, expand access to recycling in the multi-family sector (particularly large apartment complexes), and increase participation in the commercial sector in order to meet the following statewide diversion goals established in Table 1 of 7 Del. C. §6056.

Table 1. Interim Zero Waste Diversion Goals <sup>1</sup>		
Diversion Goal Target Date	Solid Waste Diverted from Disposal	Municipal Solid Waste Diverted from Disposal
January 1, 2015	72%	50%
January 1, 2020	85%	60%
<sup>1</sup> By weight		

Municipal Solid Waste (MSW) includes most typical trash from homes and businesses. Total Solid Waste, as referenced by the middle column, is a broader category of material including MSW, but also certain industrial and agricultural wastes.

## II. Grants and Loan Focus, Priorities and Terms

Examples of organizations that have received previous grant and loan funding are: waste collectors, municipalities, businesses, community organizations, and schools. Examples of commonly funded items include: recycling collection vehicles, interior and exterior recycling containers/dumpsters, balers, composting equipment, hand trucks, flyers, educational materials, and outreach. “Outside the box” possibilities might be a recycling cellphone app, creative advertising, or innovative space saving design for co-locating dumpsters. **Creativity is encouraged.** The emphasis of these grant cycles is on the five priority areas below, but various types of projects and expenses may be funded including those outside of the priority areas. Refer to Section III, Eligibility for details on eligible applicants, activities, and reimbursable expenses.

The funding priorities for this offering will be:

1. **Distribution of pre-approved recycling instructional information to influence positive recycling behaviors at the point of recyclable material generation and disposition (e.g. kitchen, office, workplace, recycling bin, cart, dumpster)**
2. **Recycling outreach – recycling advertising, education, and related initiatives**
3. **School or university recycling programs**
4. **Source-separated food waste recycling infrastructure development**
5. **Business, non-profit, community organization, or local government recycling programs**

Education to reinforce the benefits of recycling and instructions on how to properly recycle is a hallmark of successful programs, yet an ongoing need in Delaware. Accordingly, the first funding priority in this Grants and Loan offering is for applications that demonstrate the ability to distribute pre-approved recycling instructional information to target populations. *Note: For those interested in this funding priority, see attached Appendix – Funding Priority for Distribution of Recycling Instructional Information for details.*

An applicant is not precluded from submitting multiple grant or loan applications. Applicants who choose to submit multiple applications are highly encouraged to ensure that each application can stand on its own merits and is competitive.

The grants and loan program has limits on the amount of funding available, so awards cannot exceed the funds available. This is a competitive grant and loan process and therefore partial awards and non-awards are a possibility.

**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, a grant applicant who is only partially awarded may also request a loan to supplement their project costs. Applicants who are selected to receive partial grant 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. **Loan rates are typically 2% or 3%** depending on circumstances.

### III. Eligible and Ineligible Applicants, Activities, and Costs

- **Eligible Applicants and Activities**

In the broadest terms, eligible applicants are: for-profit entities; non-profit organizations; municipal governments; schools; and other organizations collectively referred to as persons inclusive of the following:

- Persons proposing to provide public education and community outreach, conduct applicable research studies, or facilitate training, provided they can demonstrate:
  - relevant prior successes and their capacity to accomplish the goal of their application; and,
  - possess the financial, technical and managerial capability to conduct the proposed activity.
- Those persons engaged in the business of collecting, transporting, processing, or marketing recyclable materials.
  - Eligible applicants also include those persons who contract for these services; however, payment for contractual services, as defined in this Section, with grants and loan funds is prohibited. Applications proposing to purchase capital equipment (vehicles, containers, dumpsters, etc.) for use by contracted service providers will be considered; however, the applicant must evidence a reduction in contract service costs over the term of the contract that, in the judgment of the DNREC, justifies the award of grants and loan funds.
- All for-profit businesses, non-profit businesses, municipalities, schools, and organizations that may be starting, improving, or expanding their own recycling programs.

- **Eligible Costs**

- Capital equipment costs;
- Education and outreach costs;
- Research studies conducted by qualified investigators from which conclusions on the effectiveness of Universal Recycling programs can be drawn and recommendations made that will contribute to achieving the diversion goals established in 7 Del. C. §6056;
- Training costs.
  - **Note:** Labor costs shall be justified and reasonable for the work being performed, maximum \$30 per hour inclusive of wages and fringe benefits.

- **Ineligible Costs**

- Capital equipment costs for single-family residential, single-stream curbside recycling collection service;
- Contractual services for the cost of recyclables collection, processing or marketing;
- Scenarios that result in double payment for services rendered (e.g. 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: interstate transport of recyclables collected in Delaware is permissible; however, transportation costs are ineligible for funding);
- Refuse and solid waste collection, transport, transfer, or disposal costs (note: equipment costs related to implementation of curbside Pay-As-You-Throw waste collection may be eligible for loan funding);
- Any activities that do not contribute to increasing the State's 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 (note: this is most commonly found where an entity contracts out for recycling services and recoups the costs from the residents being served);
- Unrelated debts;
- Labor costs (note: refer to *Eligible Costs* above for exceptions);
- Operational costs including, but not limited to, fuel, maintenance, utilities, and indirect facility and administration expenses (note: consideration will be given to such costs for loan funding);
- Purchase of real estate (note: these costs are eligible for loan funding);
- Political or lobbying activity;
- Any other activities that do not directly contribute to increasing the diversion rate; and,
- Anything contrary to state law.

- **Ineligible Applicants**

- State executive branch agencies, departments, and offices required to comply with Executive Order Eighteen (EO-18);
- Homeowners/individual residents transporting their own waste and recyclables; and
- Organizations or entities that are not formally established and operating at the time of application (note: consideration will be given to such entities for loan funding).

*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**

- **Application Deadline – 4:00pm on June 22, 2016 for Cycle 7 and 4:00pm on November 2, 2016 for Cycle 8**

- **Application Submission Requirements**

The following must be scanned and submitted by email to

**DNREC\_Recycling\_Grants@state.de.us** by the Application Deadline:

- a completed application form personally **signed by the appropriate Organization Manager and Project Manager**;
- the projects proposed budget sheet; and,
- documentation to support budget line items (price quotes, pro-forma invoices, online vendor price sheets)

Scanning and submitting as one document in “.pdf” format is required for electronic submission. All applicants will receive confirmation of their electronic submission within 72 business hours of receipt.

If an applicant is unable to email the application package, the original application package (as listed above) may be mailed or hand delivered. The complete package must be **received by DNREC by the Application Deadline** at the address listed below. The application must be legible (preferably typewritten) double-sided printed on recycled content paper, and bound with a paperclip or staple. Use of a mail tracking system is highly encouraged, as is accounting for delivery time. DNREC is not responsible for applications lost or delayed in transit.

DNREC – SHWMS  
Recycling Grants & Loan Program  
89 Kings Highway  
Dover, DE 19901

Applications that are incomplete, that do not meet the eligibility criteria, or that are not received by the deadline will not be considered.

- **Application Package Contents Requirements**

The Recycling Grants and Low Interest Loan Program is competitive and as such, only the highest ranking applications may receive funding. However, you do not need to be an expert to apply.

**DNREC encourages all interested parties to apply and not be intimidated. The Program welcomes creative and innovative projects.** The application form is available at

[www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx](http://www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx). It includes the following project categories which must be addressed:

- **Goal** – What will the project accomplish?
- **Needs/Benefits** – Describe why the grant is necessary. Describe the service area, the population served, and the reason(s) that group selected is to be addressed in the manner proposed. 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? *(Various tools and informational links are available at [www.recycling.delaware.gov](http://www.recycling.delaware.gov).)*
- **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?
- **Fiscal 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. **In addition to the budget sheet, cost estimates, quotes or other supporting documentation are required to support all expenditures and should be attached to the application form.** Organizations that request personnel funding must also provide budget summaries and hourly wage rates for personnel costs which are subject to approval. Personnel costs are largely ineligible (*see section on ineligibility above*).
- **Supporting Documentation** – Please include any supporting documentation that will corroborate your application.

Please note that the application form limits the length of each section and in total. Please make sure your wording for any of the sections or fields does not exceed these limits to avoid text from being unintentionally excluded.

**Confidentiality** – Please note that the DNREC’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 DNREC be held confidential. For more information visit the DNREC’s FOIA regulation at: <http://regulations.delaware.gov/AdminCode/title8/900.shtml#TopOfPage>.

## V. Application Selection Criteria

The criteria listed below will be used as a guideline in evaluating Grant and Loan applications. The DNREC and the Recycling Public Advisory Council (RPAC) 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
15	<u>Diversion</u> – Applicant demonstrates the project will contribute to meeting the requirements established in 7 Del. C. §6053 and the diversion goals* established in 7 Del. C. §6056, and that the diverted materials will be recycled as opposed to landfilled or incinerated.
15	<u>Priority Area</u> – Applicant’s project is within the programmatic priorities. See <i>Section II “Grant and Loan Focus, Priorities and Terms”</i> above.
10	<u>Fiscal 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.
15	<u>Outreach</u> – Applicant has an effective plan for outreach to encourage recycling.
15	<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, partnerships, etc) or 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

\* The diversion percentage goals do not need to be met by the individual applicant. The applicant just needs to demonstrate that their project will contribute to an increase of recycling in Delaware.

To evaluate and rate applications, DNREC staff coordinate with the RPAC Grants and Loan Sub-Committee to draft preliminary ratings and rankings. The full RPAC will then discuss preliminary ratings to recommend a final ranking and funding awards. DNREC typically awards funding based on RPAC recommendations, but reserves the right to make independent funding decisions provided a written justification is given to the RPAC.

## **VI. Workshops**

DNREC staff is available to provide technical and administrative assistance. Interested parties should contact Bill Miller at 302-739-9403 or via email at [DNREC\\_Recycling\\_Grants@state.de.us](mailto:DNREC_Recycling_Grants@state.de.us). Grant applications can be downloaded at [www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx](http://www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx).

## **VII. Award Process & Grant Recipient Responsibilities**

**Awards Process** - It shall be the goal of the DNREC to announce the selected recipients within six weeks of the application deadline. 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 the 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 the 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 or scope of work may be precluded from making future grant or loan applications.

**Grantee Responsibilities** - This is a reimbursement based program. Payment of grant 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. The grantee is permitted to submit multiple requests for reimbursement if efforts are made to minimize the total number of requests. Reports on the status of activities, as described below, are required with the reimbursement request.

In exceptional instances, for qualifying grantees, 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. Direct funding requests will be evaluated on a case-by-case basis.

Grant and loan recipients will be required to report, as specified in the Contract's Scope of Work, on the activities 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 the DNREC on improving the grant and loan process.

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

The 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 the DNREC will award future funding. Each grant and loan period's applications are considered in relation to all others received during the same grant period.

Grant and loan recipients must give credit to the Universal Recycling Grants and Low Interest Loan Program administered by DNREC and the RPAC in all news releases, webpages, and publicity pertaining to the grant activities.

Whoever violates the requirements of *Subchapter III. Solid Waste Recycling* in Chapter 60, Title 7 of the Delaware Code (aka Universal Recycling Law) is subject to penalties and other enforcement. 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 Bill Miller at 302-739-9403 x8.

# Appendix – Funding Priority for Distribution of Recycling Instructional Information

## Delaware Department of Natural Resources and Environmental Control Universal Recycling Grants and Low Interest Loan Program – Cycle 7 & Cycle 8

As specified in the Grants and Loan Program Guidance Document, a top funding priority for this offering of Grants and Loans is assigned to the distribution of pre-approved recycling instructional information to influence positive recycling behaviors at the point of recyclable material generation and disposition (e.g. home, office, workplace, public venues, recycling bin, cart, dumpster). The goal is to achieve full participation by waste and recycling service providers and to provide all Delaware residents with updated information they need to ‘recycle more’ and ‘recycle the right way’.

To assure that persons across the state, regardless of who provides waste and recycling service, receive a consistent core message, the DNREC will provide pre-approved formats of informational materials consisting of the following:

- Decal for exterior cart/bin
- Printed media for interior (*e.g. flyer, How to Recycle Guide, magnet*)
- Decal/poster for exterior commercial recycling dumpster or interior display at commercial sector facility

Images of these informational materials with dimensions are available electronically at

[www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx](http://www.dnrec.delaware.gov/whs/awm/Pages/RecyclingGrants.aspx). **Space is provided for grant awardees to add their organization’s logo, and/or contact information. Other media formats, layout formats, distribution methods, and creative projects with similar intent are encouraged.**

Interested applicants should describe in their application the types of informational material that will be distributed and the plan for distribution. As such their project will be prioritized for funding.

Applicant requests for educational materials may not exceed a quantity that reasonably serves its existing customers. Below are some examples:

- Example for a hauler/municipality serving 1,000 single-family households and 10 apartment complexes (each with 4 recycling dumpsters and 4 buildings). A reasonable request might be for 1,050 recycling cart decals, 1,050 How to Recycle Guides, 120 recycling dumpster decals, and 80 interior posters. Note that the number of each item serving single-family households only adds on a 5% contingency for items that may be improperly applied, damaged, etc. Also note there are 3 decals for each recycling dumpster (one for each accessible side of the dumpster), and 2 interior posters for each building of each apartment complex.
- Example for a hauler/municipality serving 1,000 single-family households and 300 commercial customers (each with 1 recycling dumpster and an average of 5 interior containers). A reasonable request might be for 2,600 recycling cart decals, 2,600 magnets, 950 recycling dumpster decals, and 300 interior posters. Note that there is a recycling decal for each residential cart and each interior container at the commercial customers, plus 4% contingency. Also note there is a magnet for every customer, 3 decals for each recycling dumpster, and 1 interior poster for each commercial customer.

Creativity is encouraged. For example, it may be beneficial to provide 4 of the smaller “cart” decals for placement on each recycling dumpster instead of 3 of the larger “dumpster” decals. Also, the applicant may propose a new format that still meets the same intent.

Other Details:

- **An applicant may also apply for large decals that indicate a dumpster is dedicated to single-stream recyclables only.** DNREC encourages large, clear signage on each accessible side of the dumpster (typically 3 sides) in addition to any labelling that indicates the specific types of acceptable materials.
- All decals are to be affixed to recycling collection containers by waste and recycling service provider personnel (or contractor) in such manner to maximize the utility of the decal.
- Labor expense to deliver informational materials is not a reimbursable expense. It may be accounted for as an applicant match and may increase the competitiveness of the application. Costs for mailing of interior educational material are acceptable if cost-effective.
- Successful applicants must be able to maintain documentation of the informational material delivery and a summary of the outcome.
- A distribution schedule should be included in the Implementation section of the Grants and Loan application. Applicants are encouraged to attach an additional page or two to accommodate the Implementation narrative and schedule.