

Financing Avenues: State Programs

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States Providing Private Sector Grants

(from www.epa.gov/jtr website)

- 17 states – AZ, CA, IL, IN, IA, KS, LA?, MA, MN, MS, MO, NE, NY, OH, OR, SD, WV
- \$500,000 max grant amount (NY)
- Match often required
- Often targeted materials: C&D, food waste, electronics, paper

States Providing Private Sector Recycling Loans

(also from EPA JTR website)

- 11 states - CA, CO, FL, IN, IA, MA, MN, MS, MO, OR, SD
- Up to \$2.5 million (NC)
- Rates: market, prime plus, low interest, no interest, forgivable loans

Minnesota Office of Environmental Assistance (OEA): *Environmental Assistance Grant & Loan Program*

- Minimum Request: None
- Maximum Request: Established in RFP
- Eligible Applicants: local government, private business, non profit, educational institution
- Eligible uses: start-up financing, R&D, machinery & equipment, construction & renovation, expansion, product testing

MN OEA Grant & Loan Program

continued

- \$5 million to businesses and other orgs since 1988
- 50 projects have developed new recycled content products and markets
- OEA targets projects that best address state priorities for market development???

www.moea.state.mn.us/markets/financial

California Integrated Waste

Management Board:

Recycling Market Development Zone

Revolving Loan Program

- Applicant may borrow up to 75% of project cost or max of \$2 million
- Fixed interest rate (currently 5.25%)
- Uses: acquire equipment, leasehold improvements, purchase raw materials and inventory, acquire real property

www.ciwmb.ca.gov/RMDZ/loans/

Florida First Capital Finance Corporation:

Florida Recycling Loan Program

- \$200,000 max loan amount (net worth less than \$6 mil and less than 100 employees)
- Long term, fixed rate, up to 2% below Prime
- Purchase of equipment and machinery

[www.dep.state.fl.us/waste/categories/
recycling/pages/rbac_loan.htm](http://www.dep.state.fl.us/waste/categories/recycling/pages/rbac_loan.htm)

Iowa Dept. of Natural Resources: *Solid Waste Alternatives Program (SWAP)*

- Financial assistance available: forgivable loans, zero int. loans, and 3% int. loans
- Quarterly competitive process
- 50% match is required
- Emphasis: tonnage avoided or reduced, sustainability, and ability to replicate
- Current targets: C&D, electronics and organics

Iowa SWAP Project Disbursement

- First \$20,000: eligible as a forgivable loan
- Next \$150,000 eligible as a zero int. loan
- Remainder eligible as a 3% interest loan

Example of \$300,000 award:

- \$20,000 forgivable loan
- \$150,000 zero int. loan
- \$130,000 3% int. loan

www.iowadnr.com/waste/financial/financialswap

Massachusetts Dept. of Env. Protection (DEP) Grant Program:

Recycling Industries Reimbursement Credit

- Maximum Request: \$50,000
- Eligible Applicants: Processors & Manufacturers
- Use of Funds: Capital costs and R&D
- Restrictions: Targeted materials only, currently C&D and food waste, other???

www.mass.gov/dep/recycle/business

MA DEP Recycling Loan Fund

- Minimum Request: \$50,000
- Maximum Request: \$300,000
- Eligible Applicants: Processors and manufacturers
- \$4 million loan program financed by DEP and administered by the MA Business Development Corporation

North Carolina Recycling Business Assistance Center: *Recycling Business Loan Fund*

- Administered by Self-Help (NC's community development bank)
- Funded by Self-Help and DENR
- NOT low interest (market rates)
- Higher risk loans (helping recycling businesses to become bankable)

NC Recycling Business Loan Fund

continued

- Commercial and SBA Loans (\$10,000 to \$2.5 million, \$75,000 average)
- Past 12 years: \$3 million in loans by Self-Help
- Leveraged an additional \$2 million
- Sometime take secondary position

When Do You Apply?

- Solicited Proposals – usually RFP process with submission deadline
- Unsolicited Proposals – apply anytime

Typical Considerations

- How much funding is available; Max grant award
- Who is eligible
- What materials will be considered or prioritized
- Is a match required
- Other obligations (invoices, reports, etc.)

Example of How Funding Decisions Are Made

- Review committee established
- Each reviewer scores the proposals based on review criteria
- Finalists may be asked to respond to additional questions
- Grants awarded in order of rank until funding is exhausted

Example of Review Criteria (85 point max)

- Business planning/experience (1-20)
- Project planning/cost-effectiveness (1-20)
- Impact on waste stream or toxicity (1-20)
- Need (1-10)
- Preferred commodity (5)
- Public/private partnership projects (1-5)
- Leverage of other funds (1-5)

What Must an Application Include?

- Grant application form
- Written proposal – based on criteria, no longer than 6 pages
- Business Plan (start-up) or Business Status Report (existing)
- One-page budget
- Description of key personnel
- Letters of endorsement, support or commitment

NC 2004

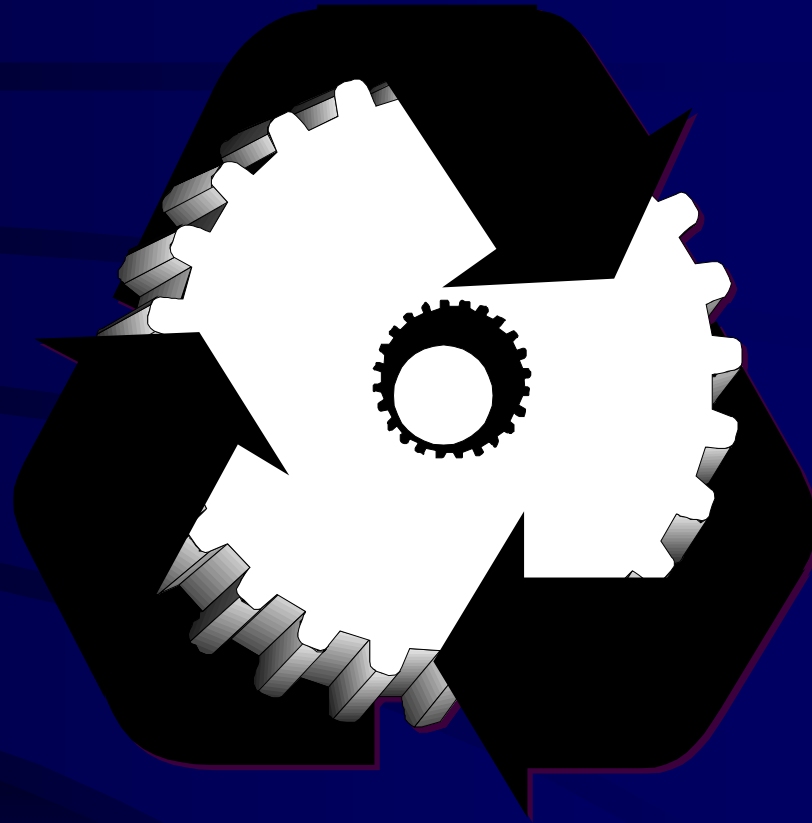
- 34 proposals requesting \$1.56 mil.
- 17 funded totaling \$415,000

NC 2005

- 26 proposals requesting \$810,000 (\$35,000 max)
- 19 Funded totaling \$300,000

www.p2pays.org/rbac/main/finance

Thank you



NORTH CAROLINA
**RECYCLING BUSINESS
ASSISTANCE CENTER**