

Request for Approval

To: **Zoe Heller**
Deputy Director, Division of Circular Economy

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: July 12, 2023

Decision Subject: Eligibility Criteria and Evaluation Process for the SB 1383 Local Assistance Grant Program, (Greenhouse Gas Reduction Fund, Fiscal Year (FY) 2022–23)

Action By: July 18, 2023

Summary of Request

Staff seeks approval of the proposed eligibility criteria and evaluation process for the SB 1383 Local Assistance Grant Program (Program) for fiscal year (FY) 2022–23. Staff proposes to use the same eligibility criteria and evaluation process that was used in FY 2021–22, except as described under the Proposed Changes section and summarized below. After staff analysis, revisions have been made to the criteria based on public comments.

1. Increase the base award amount from \$50,000 to \$75,000.
2. Require a Narrative Proposal document.
3. Require a Budget document.
4. Allow Joint Power Authorities (JPA) to apply without all members.
5. Require Grant Resolutions. Payment Program Resolutions will **not** be accepted.
6. Add additional eligible costs.

Background and Analysis

Statutory Authority

Senate Bill (SB) 1383 Lara, Chapter 395, Statutes of 2016, set methane emissions reduction targets for California in a statewide effort to reduce emissions of short-lived climate pollutants. The Budget Act of 2022 authorizes CalRecycle to award grants to local jurisdictions to assist in the implementation of programs to meet these statutory requirements.

Program Background

The SB 1383 Local Assistance Grant Program provides funding to assist local jurisdictions with meeting the requirements below:

- Provide organics collection services to all residents and businesses
- Conduct education and outreach to the community
- Secure access to recycling and edible food recovery capacity
- Establish edible food recovery program
- Procure recyclable and recovered organic products

- Monitor compliance and conduct enforcement

The draft criteria was shared via listserv in June 2023. Stakeholders were invited to submit comments and questions. Most comments pertained to applicant eligibility and eligible costs. All questions and answers will be posted on CalRecycle's website when the Notice of Funds Available is posted.

Proposed Process and Eligibility

Staff will review all applications for completeness and eligibility. Complete applications will be evaluated to confirm project eligibility and determine if appropriate costs are directly related to SB 1383 implementation.

Eligible Applicants

Eligible applicants include:

- City
- County
- City and county
- Regional or Joint Powers Authorities
- Special Districts that provide solid waste collection services

Eligible Projects

Eligible projects include:

- Collection
- Education and Outreach
- Edible Food Recovery
- Capacity Planning
- Procurement Requirements (Using Recycled Organic Products – compost, mulch, electricity, and/or renewable gas and Recycled Paper and Paper Products)
- Record Keeping
- Enforcement and Inspection
- Program Evaluation/Gap Analysis

Project Requirements

Applicants must certify that they have an enforceable ordinance or similarly enforceable mechanism pursuant to section 18981.2 of Title 14 of the California Code of Regulations.

Award Amounts

The base grant award is \$75,000 for eligible entities. The remaining funds will be distributed to eligible entities based on per capita calculations using the Department of Finance's January 2023 population statistics and data provided by special districts.

Proposed Changes

Staff is proposing changes from the past grant cycle as indicated below.

1. Increase the base award amount from \$50,000 to \$75,000.
 - The remaining funds will then be distributed to eligible entities based on per capita calculations using the Department of Finance's January 2023 population statistics.
2. Require a Narrative Proposal document to the application.
 - This will provide CalRecycle with a detailed project description, summary of first year of implementation, and explain why funding is needed.
3. Require a Budget document to the application.
 - This will identify eligible costs at the beginning of the grant term and track expenditures.
4. Allow Joint Power Authorities (JPA) to apply without all members.
 - This will enable the JPA to submit one Expenditure Request every six months, rather than individually, on behalf of each jurisdiction. It will also streamline purchases and reporting made by the JPA.
5. Require Grant Resolutions. Payment Program Resolutions will **not** be accepted.
6. Add additional eligible costs.
 - This includes, but is not limited to trailers, food dehydrators, mobile app development, and mobile pantries.

Tentative Timeline

Staff will post a Notice of Funds Available on CalRecycle's website that includes the funding, eligibility requirements, deadlines, and other important information. Notices will be distributed through CalRecycle's local assistance and market development staff to inform their local jurisdictions, the Grants Management System database, applicable listservs, outreach presentations, and newsletters.

September 2023: Application Release

November 2023: Application Due Date

February/March 2024: Grants Awarded

February/March 2026: Grant Term Ends

Please refer to [California's Short-Lived Climate Pollutant Reduction Strategy Home Page](https://calrecycle.ca.gov/organics/slcp/) (https://calrecycle.ca.gov/organics/slcp/) for more information.

Recommendation

Staff recommends approval of the proposed eligibility criteria and evaluation process for the SB 1383 Local Assistance Grant Program for FY 2022–23.

Deputy Director Action

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby approve the eligibility criteria and evaluation process for the SB 1383 Local Assistance Grant Program for FY 2022–23.

Zoe Heller
Deputy Director

Dated