

# LOAN PROGRAMS

Department of Resources Recycling and Recovery

## About CalRecycle

California's Department of Resources Recycling and Recovery (CalRecycle) brings together the state's recycling and waste management programs and continues a tradition of environmental stewardship.

CalRecycle's vision is to inspire and challenge Californians to achieve the highest waste reduction, recycling and reuse goals in the nation. Through innovation and creativity, sound advancements in science and technology, and efficient programs that improve economic vitality and environmental sustainability, we build a stronger California.

## RMDZ Loan Program

The Department of Resources Recycling and Recovery (CalRecycle) administers a Recycling Market Development Zone Loan Program to encourage California-based recycling businesses located within California to site new manufacturing facilities and expand existing operations.

This program provides low-interest loans for the purchase of equipment and other relevant business costs. The intent of the Recycling Market Development Zone Loan Program is to help California manufacturers increase their processing capabilities and create additional markets for recycled-content products.

As a result of an RMDZ Loan, the loan jurisdiction will achieve the legislative mandate of AB939 to divert 50% and the SB341 target goal to divert of 75% waste reduction destined for a landfill by 2020.

## Greenhouse Gas (GHG) Reduction Loan Program

The purpose of the Greenhouse Gas (GHG) Reduction Loan Program is to lower overall greenhouse gas emissions by expanding existing capacity or establishing new facilities in California to reduce the amount of California-generated green materials, food materials, and/or alternative daily cover being sent to landfills.

As the result of a Greenhouse Gas (GHG) Reduction Loan, the project will help California meet the mandate of AB32, the Global Warming Solutions Act, to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020, especially for projects located in or adjacent to disadvantaged communities. Eligible applicants include government entities, regional or local sanitation agencies, waste agencies, and joint power authorities; private, for-profit entities; and nonprofit organizations (except private schools).

# Project Types

CalRecycle has two priority projects: Organics projects (green materials, food materials) Recycled fiber (paper, textiles, carpet, wood, mattresses), plastic, and glass

Eligible Applicants-Greenhouse Gas Program

- Private, for-profit entities
- Nonprofit organizations
- Government entities: cities, counties, & JPAs.

Eligible Applicants-RMDZ Program

- Private, for-profit entities
- Nonprofit organizations

## Eligible Project Costs

“Project” generally means acquiring machinery, equipment; and constructing, improving supporting components thereof.



## Key Intake Criteria

1. Project Location: All projects must be in California, RMDZ must be located in a RMDZ zone.
2. Secretary of State: Corporations and Limited Liability Companies must be registered and in good standing.
3. Permits: Applicant must have all permits prior to loan funding.
4. Customers: Preponderance of customers buying the end products are located in the United States.
5. Feedstock Origin: Must use California generated waste materials. The Loan Prospect has full and direct control of the California generated waste feedstock materials.
6. Manufacturing Process: The Loan Prospect adds value to the feedstock by clean, wash, grind, cut, extrude, or otherwise change the composition of the feedstock into a new type of recycled-content feedstock.
7. Recycled-Content End Products: The project directly makes recycled-content end products using California generated non-hazardous waste materials (feedstock).

## Loan Program Terms

Loan Amount: Maximum \$2,000,000 per loan

Interest Rate: 4% Fixed

Loan Closing Points: 1/2 %

Application Fee: \$300

Loan Program Terms

Contact Information

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<http://www.calrecycle.ca.gov/funding>

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