

Loan Programs Overview Comparison for Recycling Market Development Zone & Greenhouse Gas Reduction

Revised March 2018 (Highlighted items note differences)

	RECYCLING MARKET DEVELOPMENT ZONE (RMDZ) LOAN PROGRAM www.calrecycle.ca.gov/rmdz/loans/CurrentCycle/default.htm	GREENHOUSE GAS REDUCTION (GHG) LOAN PROGRAM www.calrecycle.ca.gov/Climate/GrantsLoans/GHGLoans/FY201516/default.htm
Eligible Processes	<ul style="list-style-type: none"> Waste Prevention Reuse Recycling, Composting, In-Vessel Digestion 	<ul style="list-style-type: none"> Waste Prevention Reuse Recycling, Composting, In-Vessel Digestion
Eligible Projects	<p>Construction, renovation, or expansion of facilities to increase in-state infrastructure for:</p> <ol style="list-style-type: none"> The digestion or composting of organics into compost, soil amendments, biofuels, or bioenergy; or The manufacturing of value-added finished products using California derived recycled content fiber, plastic, glass, tires, construction and demolition materials. <p>Note: pre-processing of materials is acceptable, without proof of a binding agreement with a California finished product producer.</p>	<p>Construction, renovation, or expansion of facilities to increase in-state infrastructure for:</p> <ol style="list-style-type: none"> The digestion or composting of organics into compost, soil amendments, biofuels, or bioenergy; or The manufacturing of value-added finished products using California derived recycled content fiber, plastic, or glass. <p>Note: pre-processing of materials is acceptable with proof of a binding agreement with a California finished product producer.</p>
Ineligible Projects	<ul style="list-style-type: none"> Electronic waste, hazardous waste, metals, transformation, single use plastic bags, polystyrene food containers, materials that are banned from landfills. 	
Eligible California Generated Feedstock Waste Types	<ul style="list-style-type: none"> Organics projects: Green or food materials, or alternative daily cover (ADC) Recycled fiber, plastic, and glass projects: fiber, plastic, or glass materials Construction and demolition Tire Derived Projects Other waste materials that are landfilled 	<ul style="list-style-type: none"> Organics projects: Green or food materials, or alternative daily cover (ADC) Recycled fiber, plastic, and glass projects: Fiber, plastic, or glass materials
Project Eligibility Criteria	<ul style="list-style-type: none"> All projects must be located in CA & in a RMDZ Landfill diversion or materials that have already been diverted for pre-processing Permit and CEQA review completed 	<ul style="list-style-type: none"> All projects must be located in CA New Landfill diversion GHG emission reductions Permit and CEQA review completed
Eligible Applicants	<ul style="list-style-type: none"> Private, for-profit entities <ul style="list-style-type: none"> Recycling manufacturer Preprocessor Final Product Producer Nonprofit organizations (except private schools) 	<ul style="list-style-type: none"> Private, for-profit entities <ul style="list-style-type: none"> Recycling manufacturer Preprocessor Final Product Producer Nonprofit organization (except private schools) Local governments

Loan Programs Overview Comparison for Recycling Market Development Zone & Greenhouse Gas Reduction

Revised March 2018 (Highlighted items note differences)

	RECYCLING MARKET DEVELOPMENT ZONE (RMDZ) LOAN PROGRAM www.calrecycle.ca.gov/rmdz/loans/CurrentCycle/default.htm	GREENHOUSE GAS REDUCTION (GHG) LOAN PROGRAM www.calrecycle.ca.gov/Climate/GrantsLoans/GHGLoans/FY201516/default.htm
Loan Amount	<ul style="list-style-type: none"> • \$2,000,000 or 75% of total project cost, whichever is less. • Matching funds of at least 25% of the total project. • Borrower can receive more than one loan for either loan program. <ul style="list-style-type: none"> ○ Must result in additional diversion using the same or different type of feedstock, manufacturing process, or end product • Borrower cannot to exceed \$5 million in total principal outstanding • \$5 million cannot consist of more than \$3 million in RMDZ loans. 	<ul style="list-style-type: none"> • \$2,000,000 or 75% of total project cost, whichever is less. • Matching funds of at least 25% of the total project. • Borrower can receive more than one loan for either loan program. <ul style="list-style-type: none"> ○ Must result in additional diversion using the same or different type of feedstock, manufacturing process, or end product • Borrower cannot to exceed \$5 million in total principal outstanding
Use of Loan Funds	<ul style="list-style-type: none"> • Machinery and equipment • Real estate purchase (maximum \$1 M) and improvements • Installation of machinery and equipment. • Requirement of implementing sustainable building practices, including the requirement to purchase recycled-content products. • Working capital • Refinance of onerous debt that results in increase diversion • Loan closing points 	<ul style="list-style-type: none"> • Machinery and equipment • Real estate purchase • Installation of machinery and equipment. • Requirement of implementing sustainable building practices, including the requirement to purchase recycled-content products.
Repayment Terms	<ul style="list-style-type: none"> • Interest Rate: 4.00%, fixed for the term of the loan. • Term: Up to 10 years when collateralized by equipment (not to exceed the useful life of the equipment and machinery and other assets), or 15 years when collateralized by real estate. 	
Loan Applications	RMDZ Loan Application <ul style="list-style-type: none"> • Preliminary loan determination (No fee) • Full loan determination (\$300 fee) • Loan closing points: 0.5%, to be paid when the loan is funded. 	GHG Loan Application <ul style="list-style-type: none"> • Preliminary loan determination (No fee) • Full loan determination (\$300 fee) • Loan closing points: 0.5%, to be paid when the loan is funded.