

**2012**

**Market Development Grant**

**Application**



**Ohio Department of Natural Resources**  
**Scott Zody, Interim Director**

**Division of Recycling & Litter Prevention**  
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## PROGRAM INTRODUCTION

The Ohio Revised Code (ORC), Chapter 1502, authorizes the chief of the Division of Recycling & Litter Prevention (division), with the approval of the director of the Ohio Department of Natural Resources (department), to award Market Development grants for the purpose of supporting recyclable material markets in the State of Ohio.

This funding provides opportunities to financially support market development recycling projects; specifically to develop the infrastructure for strengthening end-product markets involving the following targeted materials collected in Ohio:

- **carpet & padding**
- **construction & demolition debris**
- **electronics**
- **gypsum board**
- **glass**
- **mattresses**
- **old corrugated cardboard**
- **organic food material**
- **paper**
- **plastic (agricultural & orphan)**
- **textiles**

Projects that impact the largest Ohio market area and consume the largest volume of recyclable materials will receive increased consideration.

Balanced Growth is a voluntary, incentive-based strategy to protect and restore Lake Erie, the Ohio River, and Ohio's watershed to assure long-term economic competitiveness, ecological health and quality of life. For more information see: [www.balancedgrowth.ohio.gov](http://www.balancedgrowth.ohio.gov)

## WHO CAN APPLY

Businesses or non-profit organizations seeking market development funding must secure a sponsor to serve as the grant applicant. An agency of the state may be a municipal corporation, county, township, state college/university, or solid waste management district/authority. Applicants may sponsor multiple private sectors businesses (cooperating enterprises) or non-profit organizations (cooperating enterprise).

## ELIGIBLE PROJECTS

Project Category	Maximum Grant Request	Project Examples – <i>examples are illustrative and not all-inclusive</i>
<b>Construction &amp; Demolition Debris Recycling (C&amp;DD)</b>	\$250,000	C&DD operations seeking equipment to pre-process material received at their site of operations.
<b>Manufacturing &amp; Processing</b>	\$250,000	Manufacturing or processing facilities seeking to expand their capabilities to process base material or manufacture a finished product.
<b>Material Recovery Facility Recycling (MRF)</b>	\$250,000	A material recovery facility seeking funds to expand operational capacity.
<b>Organics Recycling</b>	\$250,000	Facilities capable or seeking to handle food waste and proposing to install an “in-vessel” or similar processing system.
<b>Regional Recovery Collection System</b>	\$250,000	Establishing and servicing of collection units for materials generated in a targeted geographical region.

## FUNDING CRITERIA

The division will consider the following elements in the process of application review:

- Demonstration of positive economic and environmental impact regionally or statewide
- Assurances that the project will accomplish stated goals and is transferable
- Potential for evolution into a permanent service or program without future division funding
- Applicant’s past performance in grant administration and project management
- Consistency with the strategic goals of the local solid waste management district plan
- Qualifies as an eligible project and includes one or more targeted materials
- Financial need of the applicant
- Availability of grant funds
- Submission of required forms and comprehensive responses to all applicable questions
- No outstanding financial obligation to the State of Ohio

## MATCH FUNDS

Market Development grant projects require a 100% match. Applicants, and cooperating enterprises if applicable, must provide a financial contribution to the project equal to the amount requested in grant funds. The match should be a cash contribution or a documented line of credit, secured from an accredited lending institution or agency, and dedicated to the project. Applicants securing a line of credit from an accredited lending institution or agency should attach a letter to their application package from the institution or agency verifying that approval has been received.

## ALLOWABLE COSTS

Grant funds may be expended **only** for allowable costs described below:

### Equipment

- purchase, or lease to purchase equipment

### Goods & Services

- site improvements directly related to projects
- purchase tools and supplies necessary to implement the project

### Personal Services Contract

- contracts covering the costs necessary for services of public or private contractors, such costs shall not include salaries or benefits of existing or “in-house” employees

## UNALLOWABLE COSTS

Costs **not** allowed to be reimbursed with grant funds include, but are not limited to:

- recycling of hazardous waste
- employees salaries or benefits
- land acquisition
- costs excluded by ORC Chapter 1502 or not identified under “Allowable Costs”

## APPLICATION PROCEDURES

Applicants are required to submit by no later than **February 3, 2012** both an original (written) application for the proposed project by U.S. mail, and one application as an email attachment to the DRLP mailbox address: [DRLP@dnr.state.oh.us](mailto:DRLP@dnr.state.oh.us) In addition, the subject line of the email message should state “2012 Market Development Grant Application” and the name of your community and cooperating enterprise. Following a comprehensive review of all applications, the department anticipates announcing grant awards in **May 2012**.

## IF YOU RECEIVE A GRANT

### **Grant Agreement**

The grant agreement will specify the total grant award and will stipulate exactly how the grant funds will be spent. All grant recipients must enter into this agreement with the department to authorize receipt and expenditure of grant funds.

### **Administration Meeting**

Grantees will be required to attend a mandatory grant administration meeting in June 2012.

### **Timeline and Performance Period**

The grant agreement will become effective once all parties have signed the agreement. The effective date of the grant agreement will be **July 1, 2012** or the date, on which the agreement is signed by the director of the Ohio Department of Natural Resources, whichever is later. Grant and match funds cannot be expended prior to the effective date.

The maximum grant period for the *grant* is 24 months. The scheduled expiration date for the 24-month period is **June 30, 2014**. Grantees may request to close out the grant early. Upon close out, the grantee must submit all required grant final reports.

### **Payment Schedule**

Subject to cash availability, grantees will receive an advance grant payment to be used for program costs according to the grantee's approved application and grant agreement. The remaining grant balance will be held in reserve to reconcile the grant at closeout.

## PROGRAM QUESTIONS

All mailings and questions should be directed to:

Ohio Department of Natural Resources  
Division of Recycling & Litter Prevention  
Attention: Grants Administrator  
2045 Morse Road – Building B-1  
Columbus, Ohio 43229-6693  
(614) 265-6333  
[www.ohiodnr.com/recycling](http://www.ohiodnr.com/recycling)

## APPLICATION CHECKLIST

**Applicants are encouraged to utilize the following checklist to ensure the completeness of their Market Development Grant application package.**

- One complete set of all application forms shall be mailed to ODNR – Division of Recycling & Litter Prevention.
- One complete set of all application forms shall be emailed in Word format to [DRLP@dnr.state.oh.us](mailto:DRLP@dnr.state.oh.us)
- Market Development Grant Application Cover Sheet with original authorized signature.
- Market Development Grant Executive Summary - limit to one, double-sided page in narrative form.
- Market Development Grant Project Details Format - provide comprehensive responses to all applicable questions in the format outlined, limit to three, double-sided pages.
- The cooperating enterprise's most recent *Dunn & Bradstreet Business Information Report* ([www.dnb.com](http://www.dnb.com)) for the existing business; **or** An *Income Statement* reflecting the cooperating enterprise's financial status for a start-up company.
- If applicable, an original letter from an accredited lending institution or agency, verifying an established line of credit to satisfy the match requirements and those monies are reserved within the line of credit to account for the match amount.

## 2012 MARKET DEVELOPMENT GRANT APPLICATION COVER SHEET

**Applicant:** \_\_\_\_\_

County: \_\_\_\_\_ Solid Waste District: \_\_\_\_\_

**Grantee Authorized Official:** \_\_\_\_\_ Title: \_\_\_\_\_

**Grantee Contact Person:** \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

**Name of Cooperating Enterprise:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Project Type	Grant Funds Requested	Match Funds Committed	Total

Targeted Material (s)	Annually Projected Tons Processed
	TPY

Jobs Created & Retained	FTE	PTE
<b>Created:</b>		
<b>Retained:</b>		

### AUTHORIZED SIGNATURE FOR APPLICANT AGENCY

Upon submission of this grant application, the applicant will be bound by its contents. In the event the Division of Recycling & Litter Prevention accepts this proposal, the applicant will fully comply with the contents and conditions outlined in the grant proposal.

I, the undersigned Authorized Official of the grant applicant, certify that the applicant possesses all necessary authority to undertake the proposed activities identified in this application. I further certify the information in this grant application is true, accurate, and complete.

\_\_\_\_\_  
(Authorized Official's signature)

\_\_\_\_\_  
(Date)

**2012 MARKET DEVELOPMENT GRANT EXECUTIVE SUMMARY**

*(limit to one, double-sided page)*

Applicants should provide an overview of the proposed project, the project's purpose and scope, and the specific methods and technologies that will be incorporated to implement the project. If applicable, this section should describe the business's history, primary product line, current industry trends impacting the business, and the specific location where the project will be conducted. The summary should include a timeline in narrative form for the major project events including securing of permits, licenses, construction of facilities and completion of service contracts. Include the number and type of jobs you anticipate being created or retained, as a result of this project. Indicate whether you are involved in a balanced growth initiative and how it relates to this proposed project.

## 2012 MARKET DEVELOPMENT GRANT PROJECT DETAILS FORMAT

The project details must be limited to a total of three, double-sided pages. Responses must be titled and listed in the order in which they are provided in this format.

1. **Need** - demonstrate the financial and operational rationale for the requested funding and provide supporting information.
2. **Project Budget and Match Commitment** - provide a detailed breakdown of the total expenditures required for the proposed project. **Clearly identify which expenditures will be paid with division grant funds and matching funds.** Explain if additional funds will be expended beyond required match.
3. **Service Area** - define the service area based on population and geographical area, and explain how the target service area was determined.
4. **Diversion Rate** - state the tonnage of material being diverted from the baseline amount of waste generated in the service area or being received by a facility.
5. **Sustainability** - describe the long-term commitment to continue the project operationally and financially.
6. **Performance** - state anticipated tons collected and recycled and the project's goals and methods employed to measure and evaluate the project.
7. **Material Description** - identify type and quantity of materials utilized as feedstock for this project - classify as post-consumer, post-commercial or post-industrial. Provide data on total volume and calculations for percentage of recycled content. Name the sources and locations of materials utilized as project feedstock. List any required material specifications.
8. **Facility Details** - include contact information, actual location of the facility and equipment.
9. **Income Statement** - provide a financial statement of business showing the details of revenues, costs, expenses, losses and profits for the past three years.
10. **Sales Projections & Product Distribution** - provide a three-year estimate of future sales. Discuss the company's method of product distribution. Provide a project "payback" schedule.
11. **Markets** - define the targeted market, describe the company's growth potential within the market and discuss the barriers to market entry.
12. **Financial Statements/Reports** – Attach a financial profile of the company that includes the following: A Dunn & Bradstreet Business Information Report for existing companies or a Projected Income Statement certified by an independent CPA or by the CEO for start-up businesses.
13. **Acknowledgement of Funding Source** – Explain how you will identify ODNR's financial participation in your project.

## IMPORTANT DEFINITIONS

**Balanced Growth Initiative** – is a voluntary, incentive-based strategy to protect and restore Lake Erie, the Ohio River, and Ohio’s watersheds to assure long-term economic competitiveness, ecological health, and quality of life. For more information see [www.balancedgrowth.ohio.gov](http://www.balancedgrowth.ohio.gov)

**Commercial Recycling** - activities involving the collection, sorting, processing and conversion of materials generated by businesses, such as office buildings, retail and wholesale establishments, restaurants, hospitals, schools and universities.

**Composting** - the process specifically involving the decomposition of organic matter that requires controlled conditions and yields temperatures conducive to thermophilic microorganisms, resulting in a humus like organic material.

**Composting Facilities** - those designated facilities where composting of solid waste occurs in accordance with Chapters 3745-27 and 3745-37 of the Administrative Code. Composting facilities include those areas of material placement and any leachate management system structures.

**Construction & Demolition Debris (C&DD)** - waste building materials from construction, remodeling, repair, and demolition of homes, commercial buildings and other structures, and pavements.

**Cooperating Enterprise** - a business whose principal place of operations is located in the State of Ohio. This enterprise will be a sub-grantee of the applicant.

**Diversion Rate** - the total tons per year of diverted waste/recycled material versus the total tons of waste generated in a service area or being accepted by a facility.

**Manufacturing** - the process of turning recyclable feedstock into a new product.

**Material Recovery Facility (MRF)** - a facility that accepts post-consumer, commercial, and/or industrial recyclable materials for recovery.

**Organic Matter** - material that is carbon or fiber based and can be easily processed through acceptable composting methods.

**Orphan Plastic** – Difficult to recycle plastics (agricultural plastics or multiple composite products).

**Payback Schedule** - the term or time period in which a project will generate revenue or cost savings equaling the original investment.

**Personal Services Contracts** - contractual agreement for temporary work, directly related to the project, rendered to the grantee, or cooperating enterprise if applicable, by companies and individuals not on the grantee or cooperating enterprise’s payroll.

**Recycling** - the collection, separation, recovery and sale or reuse of materials which would otherwise be disposed or processed as waste.

**Sustainability** - those projects determined to have both the financial and operational ability to maintain a current level of service without the infusion of external funding sources.