



## MEMORANDUM

**TO:** City Council

**FROM:** Bill Robeson, Assistant City Manager/Public Works Director

**SUBJECT:** Consideration of a Resolution Authorizing the Public Works Director to Submit an Application for the CalRecycle/SB 1383 Local Assistance Grant Program

**DATE:** January 25, 2022

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### **SUMMARY OF ACTION:**

Authorizing the submittal of a grant application that allows the City the opportunity to apply for a one-time grant funding from CalRecycle meant to provide aid in the implementation of regulations adopted by CalRecycle pursuant to SB 1383, Chapter 395, Statutes of 2016. This non-competitive grant program will provide funding to local jurisdictions to assist with the implementation of regulation requirements associated with SB 1383.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

According to the current funding estimates provided by CalRecycle, the City is eligible for \$24,046 to be spent by April 2, 2024.

### **RECOMMENDATION:**

1) Adopt a Resolution authorizing the Public Works Director to submit an application for the CalRecycle/SB 1383 Local Assistance Grant Program in the event that the IWMA is unsuccessful with its application; and 2) Authorize the City Manager to execute a grant agreement with the IWMA, subject to the review and approval of the City Attorney, enabling the City to obtain from the IWMA its non-competitive share of Grant Program funds currently estimated at \$24,046 for projects authorized under the Grant Program.

### **BACKGROUND:**

In September 2016, Governor Edmund Brown, Jr. set methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The targets must reduce organic waste disposal 50 percent by 2020 and 75 percent by 2025 and recover at least 20 percent of the edible food currently disposed of in landfills by 2025.

The Department of Resources Recycling and Recovery (CalRecycle) is administering a one-time grant program to provide aid to local jurisdictions for the implementation of regulations adopted by CalRecycle pursuant to Chapter 395, Statutes of 2016 and SB170

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Budget Act of 2021. This non-competitive grant program provides \$57,000,000 of funding to local jurisdictions to assist with the implementation of regulation requirements associated with SB 1383, including but not limited to:

- Capacity Planning
- Collection
- Edible Food Recovery
- Education and outreach (includes organic waste & edible food recovery)
- Enforcement and Inspection
- Program Evaluation/Gap Analysis
- Procurement Requirements
- Record Keeping

The CalRecycle/SB 1383 Application requires a signed resolution (Attachment 1) from the local jurisdiction's governing body authorizing the submittal of funding applications to CalRecycle to receive funds.

#### **ANALYSIS OF ISSUES:**

Eligible applicants include cities, counties, a combination of a city and county, regional or joint powers authorities, and special districts that provide solid waste collection services. February 1, 2022, is the application due date.

Arroyo Grande is eligible to file an individual application to receive direct funding from CalRecycle under the SB 1383 Local Assistance Grant Program. The estimated non-competitive amount available to the City is \$24,046. The applicant in an individual application will be responsible for the performance of the grant and all related documentation.

One critical component for grant eligibility is that applicants must identify the status of adopting an enforceable ordinance(s), or similarly enforceable mechanism, pursuant to section 18981.2 of Title 14 of the California Code of Regulations. On November 9, 2021, the City Council adopted an Ordinance adding Chapter 8.33, Mandatory Organic Waste Disposal Reduction, and Chapter 15.06, SB 1383 CalGreen Recycling and Model Water Efficient Landscaping Ordinance Requirements, to the Arroyo Grande Municipal Code in order to comply with the requirements of Senate Bill 1383 (SB 1383). Applicants who certify adoption of an ordinance to CalRecycle by April 1, 2022, will be eligible to receive first round funding (Spring 2022). In addition, the first round of awardees may be eligible to receive additional remaining funds from entities who did not apply.

Staff recommends that the City submit an individual application for funding from the SB 1383 Local Assistance Grant Program to enable the City to fund efforts to implement CalRecycle's SB 1383 regulations. Grant funding may be particularly helpful to offset the costs of the following areas covered by the grant program: enforcement and inspection efforts, record keeping, and compliance with new procurement requirements.

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Additionally, staff is evaluating the potential to combine some or all of this grant funding with neighboring jurisdictions in the event that doing so will provide cost saving opportunities and greater benefits to the City and its customers. For example, the cities may wish to use their respective shares of grant funding to hire a shared consultant to establish a record keeping system or provide direct services to customers to assist in the implementation of edible food recovery programs or new organic waste diversion requirements.

**ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Adopt the attached Resolution authorizing the Public Works Director to submit an application for CalRecycle/SB 1383 grant funds;
2. Modify and adopt the attached Resolution authorizing the Public Works Director to submit an application for CalRecycle/SB 1383 grant funds; or
3. Provide other direction to staff.

**ADVANTAGES:**

Submittal of the grant application could result in the award of one-time funds estimated at \$24,046 to offset the cost of initial administration and implementation of requirements associated with SB 1383.

**DISADVANTAGES:**

If the grant is approved, staff time will be necessary to administer the grant. However, if no application is made, or if the grant is not awarded, all initial costs for administration and implementation of regulation requirements associated with SB 1383 will be paid through the City's General Fund budget.

**ENVIRONMENTAL REVIEW:**

Environmental review is not required for submittal of grant applications.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Resolution

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