



# PROGRAM OVERVIEW

Are you in the business of producing a product using materials that otherwise would be destined for a landfill? If so, you can benefit from the services offered through the California Integrated Waste Management Board's Recycling Market Development Zone (RMDZ) Program. The RMDZ Program gives economic incentives to businesses that divert waste from California's landfills and add to the local economy. It is a partnership made up of local businesses, local zone administrators, and State and local agencies.

Hundreds of companies that manufacture goods made from materials such as wood, plastic, tire scrap, construction debris, and paper waste use RMDZ services. Some companies have benefited from an RMDZ business loan while others have taken advantage of the free technical assistance and/or product exposure opportunities through our [RecycleStore.com](http://RecycleStore.com) website. By tapping into the resources offered through the RMDZ Program, you can help conserve our natural resources and increase your bottom line at the same time!

## CIWMB's Role

In 1989, the Legislature passed the Integrated Waste Management Act (IWMA) that required all California jurisdictions to implement programs to divert from landfill disposal 50 percent of their solid waste. This law also established an integrated framework for program implementation, solid waste planning, and solid waste facility and landfill compliance.

The CIWMB is the State agency responsible for managing California's solid waste stream and overseeing the efforts of California's jurisdictions in meeting the requirements of the IWMA and subsequent solid waste legislation. Providing assistance to local governments, encouraging the development of markets for recycled-content products, helping recycling-based businesses, and providing public education and outreach programs are some of the ways the CIWMB manages to help divert waste from the waste stream.

The CIWMB's Recycling Business Assistance Branch administers the RMDZ program. Zone administrators are located in specially designated geographical areas throughout California and serve as your local representative and liaison to the CIWMB staff. Contact your zone administrator at [www.ciwmb.ca.gov/RMDZ/ZoneContacts.asp](http://www.ciwmb.ca.gov/RMDZ/ZoneContacts.asp) to learn more about borrowing money for your business or locating technical assistance resources, permitting assistance, and marketing your company's products.

## Information Included

This informational packet contains a brief overview of some of the services and assistance available to you through the RMDZ Program, including the following:

- **Incentives and Services**—Highlights support provided by the RMDZ Program and access to specific information about opportunities in your local zone.
- **Business Loans**—Describes the RMDZ business loan program and highlights project eligibility requirements.
- **Green Building**—Explains the concept of sustainable or "green" building and describes the specific green building requirements for RMDZ business loan recipients.
- **R-Team**—Describes the assistance available from the R-Team (Referral Team), a CIWMB staff resource dedicated to providing a point of entry for businesses interested in obtaining the broad range of RMDZ services, including those businesses located outside one of the established zones.

## Getting the Help You Need

- Does your company divert waste from landfill disposal and process the diverted materials to create a new raw material or a new secondary product?
- Is your company located or do you plan to locate your company within one of the established recycling market development zones (RMDZ) in California? (See the RMDZ map at [www.ciwmb.ca.gov/RMDZ/AllZones.asp](http://www.ciwmb.ca.gov/RMDZ/AllZones.asp)).
- Identify the assistance you need in siting a business, completing the permitting process, purchasing new equipment, finding feedstock for your product, and establishing new markets.

If your company diverts waste and is located within one of the established RMDZs, you can receive free assistance.

Go to [www.ciwmb.ca.gov/RMDZ/](http://www.ciwmb.ca.gov/RMDZ/) for general information or call (916) 341-6530.



# INCENTIVES AND SERVICES

Starting or running a manufacturing business that uses recycled-content materials as feedstock can be a challenging yet successful proposition. Your profit margin may depend on being able to locate reliable supplies of affordable recycled materials to produce your product line or developing a sound marketing strategy for your finished product. Your operation may require working capital and equipment, or you may be considering relocating to a new site. The California Integrated Waste Management Board's RMDZ Program offers a variety of resources to support your business whenever the need arises.

## Services Offered by the RMDZ Program

Incentives and services offered by local RMDZs vary throughout the state. Depending on the location of your recycling-based business, you may be able to take advantage of the following local incentives and assistance that could help your business:

- Locate local feedstock materials.
- Find markets and buyers for your products.
- Promote your products through RecycleStore.com.
- Identify funding sources, including CIWMB grants and loans.
- Facilitate your research with data and technical reports on recyclable materials and manufacturing processes.
- Streamline permitting requirements to save you time.
- Link you with local, State, and federal government agencies, manufacturing associations, educational organizations, and small business development corporations.
- Locate a site or property for business startup or relocation.
- Reduce public utility rates.
- Market your recycled-content products to State agencies and other public markets.

Visit the CIWMB website at [www.ciwmb.ca.gov/RMDZ/](http://www.ciwmb.ca.gov/RMDZ/) to learn more about incentives and services available to you through your local zone.

## Partners

The CIWMB can help you get the expertise you need through its established community partnerships with the following:

- Recycling manufacturers/processors.
- State agencies.
- City and county economic development staff.
- Planning departments.
- Local business and trade associations.
- Municipal and private waste collection companies.
- Research facilities/individuals.
- Private lenders.
- Real estate brokers.
- Small business development centers.
- Academic institutions.
- US Environmental Protection Agency.

Save time by contacting the RMDZ Program at [www.ciwmb.ca.gov/RMDZ/](http://www.ciwmb.ca.gov/RMDZ/) or call (916) 3416530. You may also contact your local RMDZ zone administrator for the referral or assistance that is right for you at [www.ciwmb.ca.gov/RMDZ/Zonecontacts.asp/](http://www.ciwmb.ca.gov/RMDZ/Zonecontacts.asp/).



# BUSINESS LOANS

Save money, increase your cash flow, and grow your business with a business loan from the California Integrated Waste Management Board's RMDZ loan Program. If you are a business that uses waste materials to manufacture new products and are located within one of California's Recycling Market Development Zones, you may be eligible for a business loan directly from the RMDZ loan Program. The CIWMB has funded 141 loans totaling more than \$87 million since the loan program began in 1994. As a result, an estimated 2 million tons of materials are diverted from landfill disposal each year.

Companies not located within one of the established zones are not eligible for a business loan but may receive limited business assistance through the RMDZ Program. See the "R-Team" sheet for more information.

## Build Your Business

Companies throughout California have benefited by receiving loans for waste prevention, reuse, recycling, conversion technology, and transformation activities. With an RMDZ loan of up to \$2 million, you may purchase machinery and equipment, make real estate purchases (up to \$1 million maximum), use funds for working capital, and make real estate improvements. If your project conforms to one of these categories and you meet the project and loan eligibility criteria, the RMDZ loan Program could help you grow your business.

## Three Steps to Getting a Loan

### 1. Qualify for a Loan

To qualify for a loan through the RMDZ loan Program, your business must:

- Be located in one of the established zones located throughout California. To see if your company is located within one of the zones, please visit [www.ciwmb.ca.gov/RMDZ/AllZones.asp](http://www.ciwmb.ca.gov/RMDZ/AllZones.asp).
- Demonstrate the ability to repay and collateralize the loan.

### 2. Meet Eligibility Criteria

To be eligible for an RMDZ business loan, projects are required to divert nonhazardous solid waste from California's landfills. The categories that qualify are described below:

- **Waste Prevention projects**—A waste prevention project changes the way products are currently made or packaged to prevent or reduce solid waste. Typical waste prevention projects include: reducing the use of virgin or non-recyclable materials, reducing the amount of packaging materials, modifying equipment or manufacturing processes, or improving operations and maintenance. Projects involving only the procurement of items will not be considered.

- **Reuse projects**—Reuse projects will prolong the useful life of a product, delaying final disposal or recycling. This process may include reconditioning, reprocessing, remanufacturing, or some other value-adding procedure. Repair or thrift shops are not included in this category.
- **Recycling projects**—A recycling project is a project where postconsumer or secondary materials are used to produce a value-added finished product or, where necessary, intermediate processing of a recovered material is provided. A value-added recycled product is one in which the raw materials have increased their value through a change in their character or composition through a manufacturing process. Projects that simply collect, sort, and bale recovered materials for ease of transport do not constitute adding value and will not be considered. However an exception is made to allow plastic film and polystyrene collection, sorting, cleaning, and baling.
- **Conversion Technology projects**—Conversion technologies are non-combustion processes such as thermal conversion (for example, gasification, catalytic cracking); chemical conversion (for example, acid hydrolysis); or biological conversion (for example, enzyme hydrolysis) that use post-recycled plastic and/or biomass residuals for the purposes of producing electricity or new products that meet quality standards for use in the marketplace. Post-recycled plastic and/or biomass residuals refer to yard trimmings, woody debris, low-grade paper, and other cellulose-based materials that have been subject to source-separation or other recyclable/compostable diversion programs and that are otherwise destined for landfills.

### 3. Apply for a Loan

You may file an application at any time. For more information, visit [www.ciwmb.ca.gov/RMDZ/Loans/](http://www.ciwmb.ca.gov/RMDZ/Loans/) or call (916) 341-6530.



# GREEN BUILDING

The California Integrated Waste Management Board's RMDZ Program is committed to helping companies that produce recycled-content products from materials that ordinarily would go to California's landfills. We also encourage these companies to use sustainable or "green" building materials and practices. More than ever before, these materials are readily available. They often cost no more than conventional products, and they could also save you money in the long run.

## The RMDZ Loan Program and Green Building

Businesses receiving RMDZ loans to finance the purchase of commercial real estate and/or make real estate improvements are required to apply green building practices. At least 25 percent of loan funds approved for property upgrades must be applied towards sustainable building products and services.

## What Is Green Building?

A green building is a structure designed, built, renovated, operated, or reused in an ecological and resource-efficient manner. Green buildings are designed to meet certain objectives such as reducing and diverting waste, reusing materials, protecting occupant health; using energy, water, and other resources more efficiently; and reducing the overall impact to the environment (see [www.ciwmb.ca.gov/GreenBuilding/](http://www.ciwmb.ca.gov/GreenBuilding/)).

## Why Is Green Building Important?

Using sustainable building practices and products helps to create and expand safe, healthy indoor work environments for you and your employees, as well as helping to reduce your energy consumption.

As a business that manufactures recycled-content products, you are already aware of the benefits of using "waste material" as feedstock. By taking it a step further and using green products in your business, you help develop and expand markets for all green products. Making a commitment to buy green speaks volumes about your overall commitment to the environment.

## What Products Will Meet the 25 Percent RMDZ Loan Requirement?

For a list of green products and product categories, visit the CIWMB's Green Building website at [www.ciwmb.ca.gov/GreenBuilding/toolkit.htm#Product](http://www.ciwmb.ca.gov/GreenBuilding/toolkit.htm#Product), the U.S. Environmental Protection Agency's Comprehensive Procurement Guidelines at [www.epa.gov/cpg/products.htm#construct](http://www.epa.gov/cpg/products.htm#construct), and the Database for Environmental Products and Services at <http://yosemite1.epa.gov/oppt/epstand2.nsf>.

The following are examples of products that are eligible under the RMDZ Loan Program guidelines:

- Recycled paint with low or no volatile organic compounds (VOC).
- Recycled-content ceiling tiles.
- Cellulose insulation (made from recycled newspapers) and other recycled-content insulation.
- Cement with high fly ash content.
- Salvaged materials such as doors and framing lumber.
- Cool roofing and alternative flooring products such as rubber, linoleum, cork, and bamboo.

- High-efficient light fixtures and fluorescent lamps.
- Energy-efficient windows.

For assistance in finding green building products, contact CIWMB staff members who are readily available to assist you in finding appropriate green materials to meet your needs. For further assistance, please visit our website at

[www.ciwmb.ca.gov/GreenBuilding/Contacts.htm](http://www.ciwmb.ca.gov/GreenBuilding/Contacts.htm).

### **What Is the Cost of Incorporating Green Products?**

Some green products may have a higher initial cost, while others cost the same or less than non-green products. For example, recycled-content paint and ceiling tiles cost less than virgin-content products. For those products that cost more, your overall operating expenses are often lower, ultimately resulting in a higher return on your investment.



# THE R-TEAM

The R-Team (or Referral Team) is a staff resource within the California Integrated Waste Management Board's Recycling Market Development Zone (RMDZ) Program dedicated to serving two important functions:

- First, it is a "port of entry" for businesses that are interested in RMDZ Program services but are not sure where or how to start.
- Second, the R-Team offers a broad range of nearly identical services to businesses that are not located within one of the established zones. One exception is the RMDZ business loans—businesses must be located within a zone to qualify (see "Business Loans").

The goal is to help recycling-based businesses start and prosper in California. The R-Team works in partnership with other agencies and programs to provide comprehensive services.

## Information Available

- Sources of secondary materials and processes for tires, plastics, paper, construction and demolition (C&D) materials, and composting.
- Technical reports on materials and processes.
- Fact sheets on materials markets, technology, and organizations.
- Sources of technical information, as well as other State and federal programs.

## Business and Marketing Assistance

- **RecycleStore.com**: a website offering quality products "made in a California RMDZ."
- Locating markets for recycled-content products through RMDZ staff and CIWMB's Buy Recycled Program ([www.ciwmb.ca.gov/BuyRecycled/](http://www.ciwmb.ca.gov/BuyRecycled/)), which establishes recycled-content product procurement practices for State and local agencies.
- Locating recycled-content products by material type, geographical area, or other search capabilities through CIWMB's recycled-content products database ([www.ciwmb.ca.gov/RCP/](http://www.ciwmb.ca.gov/RCP/)).
- Providing siting assistance through referral to local economic development offices.

For assistance through the R-Team, go to [www.ciwmb.ca.gov/RTeam/](http://www.ciwmb.ca.gov/RTeam/) or call (916) 341-6600.