



Capital Improvements and Product Testing Grant (Cycle 2A and 2B)

Questions/Comments and Answers

- 1. Question: In the testing budget template, what should I insert for “testing cost” in the second column?**

Answer: Applicants should insert the total cost for the testing item in the “testing cost” column. This will also be the sum of grant-funded plus match-funded expenses for the item. All total item costs will sum at the bottom of the budget template in the “total expenses for project,” cell B39.

- 2. Question: Will California-generated post-consumer carpet (PCC) that is diverted away from Waste-to-Energy and/or export to reuse, recycling and/or remanufacturing be counted as additional recycled CA PCC when CARE evaluates project impact under Cycle 2A?**

Answer: Only CA-generated PCC that is diverted away from landfill will be considered additional reused, recycled or remanufactured CA-generated PCC.

- 3. Comment: Cycle 2A/B should fund only California projects unless funding a non-California project fills an immediate processing or manufacturing need that cannot be met by a California project. Out-of-state funding projects should be reviewed by the new California Carpet Advisory Committee to ensure that using California funds for out-of-state projects will not create unintended consequences that could impact the success of the California Carpet Stewardship Program (CCSP).**

Answer: The CARE Cycle 2A and 2B grants program will give preference to California-based projects, all other factors being equal. The scoring criteria weighs at 20% projects that are CA-based and/or create CA green jobs, benefit CA disadvantaged/rural communities, and/or are CA businesses with specialized certifications. The CARE grant review independent technical committee will score applications and make a recommendation for funding to the SPC.

4. **Comment: The grant program needs to be careful to ensure it doesn't simply support competition for more easily available California PCC. The applicant should discuss how it is documenting "newly diverted material".**

Answer: The CARE grants Cycle 2A and 2B program does ask applicants to calculate newly diverted CA-generated PCC as a result of the project, which is considered under the "impact" criteria. This calculation must be well supported in the narrative and through appropriate documentation.

5. **Comment: Producing the highest percentage of recycled output per pound of California PCC optimizes the California assessment fee, therefore, high yield projects should receive more points.**

Answer: Cycle 2A and 2B applicants who produce a higher yield from CA-generated PCC material will receive more points under the "conservation" and potentially the "project impact" criteria.

6. **Question: What are offsets?**

Answer: Offsets refer to carbon offsets that may be purchased by an entity in order to effectively reduce that entity's overall greenhouse gas emissions through a separate carbon reduction initiative.

7. **Question: For a Cycle 2B grant, does having testing equipment in time for the project start help an applicant to secure a grant?**

Answer: Any project applying for a Cycle 2A or 2B grant that is more "shovel ready" than another project, all other factors being equal, will receive more points during the scoring process.

8. **Comment: Applicants should document the airborne particulates released by the project operations and how they will control these to meet local, state and federal standards.**

Answer: Applicants must show that they have a site and that all necessary permits will be obtained prior to the award of grant funds. In addition, Projects must meet all local, state and federal laws and regulations. If such compliance appears to be in question, CARE may request documentation from individual projects that proves that those projects meet all local, state and federal standards before awarding a grant and/or before the start of the project.

9. **Question: Are pellets and finished raw materials sold to manufacturers considered Tier 2 products?**

Answer: Finished raw materials sold to manufacturers may be considered Tier 2 products under Cycle 2 of the CARE grants program. CARE considers pellets as Tier 2 products.

10. Comment: The applicant should address how its products will be sustainable in the marketplace and that it has secured buyers for its products.

Answer: It will be important to those judging Cycle 2A and Cycle 2B CARE grant applications that applicants have secure markets for proposed products to be tested and manufactured. This factor will be considered under the following scoring criteria: “project impact and effectiveness”, “sustainability” and “work plan”.

11. Question: For testing grants, do projects need to use CA PCC samples?

Answer: According to Cycle 2B project requirements, grantees must use CA-generated PCC samples for testing projects.

12. Question: What are the reporting requirements after grant money is received? What other information is needed beside proof that grantees are increasing the quantity of California-generated PCC reused, recycled and/or utilized in the manufacturing of Tier 2 recycling?

Answer: Cycle 2A and 2B grant recipients will be required to fill out quarterly progress reports, and a payment request and expenditure summary when applicable. Cycle 2A applicants will be required to fill out a feedstock certification to prove that newly diverted PCC is California generated.

13. Question: In the draft solicitation under the “Purpose” section you state that preference will be given to projects that can prove impact by the end of 2018. Under the scoring “Criteria” section, where would the “prove impact by end of 2018” fall? Is it possible to change that wording to a specific amount of months instead of by the end of 2018 considering we are unsure when grant funds may be released, as they are predicated on a CARE Plan being approved by CalRecycle and we do not know for sure what that date is?

Answer: CARE Cycle 2A grant applicants should note that projects with 2018 impact will be preferred, and impact in terms of increasing CA-generated PCC reuse, recycling or remanufacturing is required by the end of Q2 2019. CARE will consider this factor under the “proposed effectiveness and project impact” criteria, weighed at 20% for Cycle 2A. CARE expects a decision from CalRecycle on an approved and adopted Plan by May 2018, therefore grant recipients may begin making payment requests as early as the end of May, assuming CARE’s Plan is approved and adopted by CalRecycle according to schedule, and grant recipients are able to complete the necessary CARE grant contract documents in a timely manner.

14. Question: How will the application be considered if the decision has not yet been made on whether or not to locate the equipment in CA or AZ?

Answer: The CARE grants Cycle 2A and 2B will give preference to California-based projects, all other factors equal. The scoring criteria weighs at 20% projects that are CA-based and/or create CA green jobs, benefit CA disadvantaged/rural communities and/or are CA businesses with specialized certifications.

15. Question: If applicants submit as a partnership are they also allowed to submit an individual application? If so, is there a limitation on the combined applicant request?

Answer: Applicants may submit up to two applications per cycle if one of the two applications is in partnership with another entity. All funding limitations per application still apply: \$200,000 grant request max per project for Cycle 2B, and \$500,000 grant request max per project for Cycle 2A.

16. Question: Do the matching funds need to be provided in cash or is in-kind allowable? Can the matching funds be used for ineligible costs under the grant? For instance, if engineering costs were 20% of the total project, could the grant cover 5% and matching funds be used a for the remainder and still count as matching funds?

Answer: For Cycle 2A, in-kind and cash matching funds are allowable. Matching funds may cover ineligible grant-funded costs. Under Cycle 2B, matching funds are welcomed but not required.