LYN L. CRESWELL CHIEF ADMINISTRATIVE OFFICER

DEPUTY MAYOR

SALT'LAKE; CHTY CORPORATION

RALPH BECKER

MAYOR

### CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff

Date Received: \ Date sent to Council: 12

TO:

Salt Lake City Council

Jill Remington-Love, Chair

DATE: November 21, 2008

FROM:

Lyn Creswell, Director of Management Services 2. G

SUBJECT:

Recycle Market Development Program

STAFF CONTACT: Debbie Lyons, Recycling Program Manager, 535-7795

**DOCUMENT TYPE:** Resolution

all 131/0

**RECOMMENDATION:** Adopt a resolution approving Salt Lake City's application to the State of Utah to participate in the State's Recycle Market Development Zone Program.

**BUDGET IMPACT:** No funding required.

BACKGROUND/DISCUSSION: In 1996 the Utah State Legislature created the Recycle Market Development Zone Program to assist businesses that collect, process, distribute or use recycled materials in their manufacturing operations, or compost. The State requires the local governing body submit an application to participate in the Program.

The State application procedure requires Salt Lake City to:

- 1. Designate geographic areas where qualifying businesses must be located;
- 2. Identify local qualifying contributions incentives offered by Salt Lake City to qualifying businesses; and
- 3. Document support from elected officials through a resolution.

Once approved by the State of Utah, the qualifying businesses will be allowed State income tax credits. If Salt Lake City's application is received and approved by the State before the end of 2008, qualifying businesses would receive the State income tax benefits for calendar year 2008.

**PUBLIC PROCESS**: A public open house was held Tuesday, October 21, 2008, from 4:30 PM to 6:00 PM in Room 126 of the City and County Building. Notices were sent to all mailing addresses within the designated geographic area, as well as all Community Council Chairs. Eight people attended the open house, all from businesses supporting establishment of the Program.

Staff briefed the Salt Lake City Planning Commission on November 19, 2008. Feedback from the Commission indicated they support the City's participation in the program.

Information about the Program has been posted on <u>www.slcgreen.com</u>, the website for the Division of Sustainability, since October 21, 2008.

#### ATTACHMENTS:

- A. Recycle Market Development Zone PROGRAM SUMMARY
- B. Salt Lake City's Recycle Market Development Zone Program Application to the State of Utah
- C. Notice of Open House, mailed October 6, 2008
- D. Comments from interested parties
- E. Resolution Approving Submission of Application to the State of Utah's Recycling Market Development Zone Program

#### RESOLUTION NO. OF 2008

# A RESOLUTION OF THE SALT LAKE CITY COUNCIL APPROVING SUBMISSION OF APPLICATION TO THE STATE RECYCLING MARKET DEVELOPMENT ZONE PROGRAM

WHEREAS, the Utah Legislature has created the Utah Recycling Market Development Zone Program ("State Program"), which focuses on recycling as an economic development tool; and

WHEREAS, the State Program provides certain incentives and benefits to qualified businesses that collect, process, distribute or use recycled materials in their manufacturing operations, or compost; and

WHEREAS, the incentives and benefits under the State Program include, for example, a 5% state tax credit on machinery and equipment as well as a 20% state tax credit (up to \$2,000) on eligible operating expenses; and

WHEREAS, in order to be accepted into the State Program, cities and counties within Utah must formally apply to the program by submitting an application to the Governor's Office of Economic Development; and

WHEREAS, an application to the State Program is required to set forth a recycling market development zone program; and

WHEREAS, the City's Sustainability Division intends to submit an application to the State on behalf of the City's Recycling Market Development Program ("City's Program"); and

WHEREAS, as proposed, the City's Program will neither amend, alter, modify nor change allowed permitted land uses in the city; and

WHEREAS, the City's Program will focus on businesses located in the Light Manufacturing (M-1) or Heavy Manufacturing (M-2) Districts that are either west of Interstate 215 or north of 600 North; and

WHEREAS, the Salt Lake City Council finds that recycling is presently allowed in the M-1 and M-2 zoning districts and limiting the City's Program to businesses within the M-1 and M-2 zones that are either west of I-215 or north of 600 North will create a buffer between any residential or commercial zones and the highest concentration of manufacturing or recycling businesses near those areas; and

WHEREAS, the Salt Lake City Council finds that the City's Program and participation in the State Program will enhance the City's ability to retain and recruit businesses that utilize or produce recycled products; and

WHEREAS, the Salt Lake City Council finds that qualified businesses in the M-1 and M-2 zoning districts in the city may benefit from the incentives offered through the State Program; and

WHEREAS, there are existing businesses in the corporate limits of Salt Lake City that will benefit from location in the area of the City's Program; and

WHEREAS, the Salt Lake City Council finds that qualified businesses in the M-1 and M-2 zoning districts in the city may benefit from the incentives offered through the State Program.

THEREFORE, BE IT RESOLVED by the Salt Lake City Council that the Mayor be authorized to submit an application to the Governor's Office of Economic Development for the establishment of a Recycling Market Development Program in the M-1 and M-2 zones, west of Interstate 215 or north of 600 North, within Salt Lake City.

PASSED by the City Council of Salt Lake City, Utah, this day of, 2008.	
	SALT LAKE CITY COUNCIL
	D
	By: CHAIRPERSON
ATTEST AND COUNTERSIGN:	APPROVED AS TO FORM:
CITY RECORDER	Med 9-18-08 SALT LAKE CKTY ATTORNEY

 $HB\_ATTY - \#5566 - v1 - Authorizing\_Establishment\_of\_Recycling\_Market\_Development\_Program. DOC$ 

#### PROGRAM SUMMARY

# Salt Lake City's Recycling Market Development Program

### Background

Recycling and the businesses that support the process play a major role in economic development and sustainability. Recycling keeps waste out of landfills, reduces pollution, and saves energy that would have been expended making products from virgin resources. Recycling also preserves our limited natural resources.

Since 1980, the amount of materials recycled in the U.S. has grown from 9% to over 33%. This growth has fueled a market for recycled products. Businesses involved in this process are seeking to open or expand in the best areas. To encourage this, the Utah Legislature created the <u>Utah Recycling Market Development Zone Program</u>. The Program assists businesses that collect, process, distribute or use recycled materials in their manufacturing operations, or compost. There are 34 communities that have been accepted into the Program.

Since the creation of the program in 1996 the State has encouraged Salt Lake City to designate a Recycling Market Development Zone. This is not a "zone" in the traditional sense. It is an area designated by the City where businesses can locate to take advantage of the incentives provided in the State program. For the purposes of Salt Lake City, it will be referred to as the Recycling Market Development Program.

By participating in this program, Salt Lake City aims to increase the local markets for recyclable items. Particular recycling challenges we face in Salt Lake City include: glass, construction and remodeling waste, and electronic waste.

# State Incentives

Eligible recycling businesses approved by Salt Lake City's Recycling Market Development Program qualify for:

- 5% state tax credit on machinery and equipment
- 20% state tax credit (up to \$2,000) on eligible operating expenses

# Qualifications for Salt Lake City's Recycling Market Development Program Location

In order to qualify for Salt Lake City's program, a business must be located:

- In an M-1 (Light Manufacturing) or M-2 (Heavy Manufacturing) Zoning District, as these zoning classifications allow recycling activities; and
- Either west of Interstate 215 or north of 600 North, which creates a buffer between any residential or commercial zones and the highest concentration of manufacturing or recycling businesses.
- Businesses located in the area north of 600 North will only qualify if they use recycled material
  in a manufacturing process and if they were established in the area prior to the State's approval
  of Salt Lake City's application.

### Minimum Recycling Activity

• Businesses that use recycled materials must use a minimum of 25% recycled materials in their

process.

• Businesses that collect materials to be recycled must recycle at least 50% of the material that they collect or accept.

#### **Compliance and Inspections**

- Businesses must be in compliance with all local and state regulations. Salt Lake City will coordinate with various permitting agencies and departments to determine whether a business qualifies for the Program. Agencies consulted may include Salt Lake City Building Services and Business Licensing, Fire Department, and the Salt Lake Valley Health Department.
- Inspections of businesses will be conducted to determine ongoing compliance with regulations. Inspections may be initiated by complaints or may be conducted randomly.
- Businesses may have their RMDP designation revoked or suspended for the tax year if they do not continue to meet all local and state regulatory requirements.

#### **Applications and Reporting**

Existing businesses must submit an initial application prior to being approved for Salt Lake
City's program and an annual report documenting recycling activity to be considered for the State
incentives for the previous tax year.

#### Approval

- Businesses that initially meet minimum qualifications will be given approval, conditional upon meeting all zoning and other laws and ordinances for the entire tax year.
- The business will be notified in writing if their conditional approval status changes at any time during the tax year.
- Salt Lake City will provide documentation of approval or denial to the State Division of Economic Development for businesses applying for the tax credits, as requested by the State.

## Local qualifying contributions

Salt Lake City provides a number of services to assist existing and developing businesses, including:

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- **Business Outreach** through the Economic Development Department and our e2 Business Program.
- **Development Project Coordination** assistance through the Development Review Team by providing input in the early stages of a project and facilitate the project's formal review.
- Business Development Assistance from the City's Economic Development Manager by moving projects through proper city departments and acting as a single point of content.
- Revolving Loan Fund allowing start-up and existing businesses to borrow funds from the City.

# Public Hearings

An open house was on Tuesday, October 21, 2008, from 4:30 PM until 6:00 PM, at the City and County Building, 451 South State Street, Room 126. Anyone interested in learning more about the Program or providing comment was invited to attend. Flyers were mailed to every mailing address within the affected area and all community council chairs. Comments were encouraged via email, phone, or mail. All comments received by the Sustainability Division were positive in nature and demonstrated support of the program.

Staff briefed the Planning Commission on Wednesday, November 19, 2008 at 5:00 PM.

# Application for the State Recycling Market Development Zone Program

### Salt Lake City's Recycling Market Development Program

Salt Lake City Corporation is making formal application to the Utah Governor's Office of Economic Development (GOED) to establish a program to support development of local markets for recyclable material in the city. Salt Lake City's program will be called the Recycling Market Development Program (RMDP).

The City's application includes the following Utah state-prescribed requirements for designation.

This application was submitted on: (date)

#### Requirements for Designation

# Post consumer waste collection for recycling in Salt Lake City Curbside Recycling

Salt Lake City has offered curbside collection of recyclables from residential homes since 1993. The program was expanded city-wide in 1996. In 2001 the city switched from a manual collection system to an automated collection system and expanded the list of acceptable material.

Approximately 82% of Salt Lake City's 44,000 eligible households have voluntarily subscribed. An eligible household is any single family dwelling, duplex, triplex, or fourplex receiving City garbage collection service. There is no additional charge to the residents for recycling.

In 2003, Salt Lake City offered the curbside recycling service to businesses and multi-family complexes for a small monthly fee. There are over containers in service at businesses and multi-family complexes. Recyclables are collected from a 90-gallon blue container, provided for the residents by the City, each week. Acceptable materials include: newspaper, magazines, corrugated cardboard, phone books, junk mail, paperboard, office paper, notebook paper, all plastics numbers 1-7, plastic grocery bags, aluminum beverage containers, steel food cans, and plastic coated milk and juice cartons.

#### Yard Waste Recycling

Salt Lake City introduced a new voluntary yard waste collection service in March 2008. Residents who wish to participate pay \$3.50 per container per month and can recycle yard waste and clean fruit and vegetable waste. Collection is provided weekly March through November. There are approximately 6,500 containers in service. Material is composted at the Salt Lake Valley Solid Waste Management Facility.

#### **Green Waste Recycling**

Salt Lake City collects approximately 2,000 tons of leaves from the curbside each year. Over 95% of the

leaves are composted at the Salt Lake Valley Solid Waste Management Facility.

Salt Lake City also recycles green waste from the internal park maintenance program and golf course maintenance. Grass is mulched, and all other bulky green waste is taken to the compost facility.

In addition, approximately 500 tons of holiday trees are collected curbside each year and delivered to the compost facility.

**Drop-off Recycling** 

Salt Lake City has contracted to have three drop-off sites within city limits which divert approximately 1,000 tons of glass and 100 tons of corrugated cardboard per year.

#### Other Recycling Services

Most private waste haulers are now offering recycling collection services for interested businesses and multi-family complexes. There are two locally owned businesses that operate in Salt Lake City which specialize in offering customized recycling services for high-rise and other large facilities. It is difficult to estimate the amount of material being diverted through these efforts.

An average of 1,400 tons of material is diverted from the landfill each month through the City's recycling and composting programs which represents twenty-one percent of Salt Lake City's municipal solid waste stream.

#### Salt Lake Valley Solid Waste Management Facility (SLVSWMF) Waste Diversion

The Salt Lake Valley Solid Waste Management Facility (landfill), co-owned by Salt Lake City and Salt Lake County, diverts material in a number of ways. The landfill stockpiles sludge, soils, auto fluff, and chipped tires as alternative cover. Bins accept metal and aluminum for resale, and there is a drop-off for recyclables and household hazardous waste.

There are facilities at the landfill for chipping and composting wood and yard waste and reselling the products. The transfer station at times employs inmate labor to remove large recyclables from incoming waste.

The landfill also offers education on voluntary recycling opportunities throughout the Salt Lake Valley by publishing a recycling directory, operating a recycling hotline, providing tours of facilities, and providing educational materials including materials on waste reduction and backyard composting.

The Household Hazardous Waste Facility, also located at the landfill, allows residents of Salt Lake County to bring household hazardous waste to the facility for no charge. The HHW facility will accept: paints, pesticides, antifreeze, fuels, batteries, oil, and yard care chemicals. Many of the items that are dropped off are still usable. All usable items are available free to the public. The facility began accepting electronic waste in August 2008.

Written documentation of approval from Salt Lake City Council
The City Council will discuss adopting a Resolution to approve Salt Lake City's application on
December 2, 2008.

Local qualifying contributions
Businesses Inspection and Approval

Businesses that wish to participate in the RMDP will be required to submit an initial application, an annual report and meet all zoning requirements for their site. Salt Lake City staff will conduct inspections of the facility and provide input on their recycling processes. Businesses that do not meet Salt Lake City's application and zoning requirements will not be eligible for the program during the tax year.

#### **Business Qualifications**

In order to qualify for State tax credits, businesses will need to meet all requirements of a Utah State RMDZ, and additional Salt Lake City Corporation requirements. These will include:

- 1. Existing businesses must submit an initial application to Salt Lake City by March 31 to be considered for the State incentives for the current year. Initial applications submitted by new businesses established after March 31 will be evaluated as they are received.
- 2. Businesses that use recycled materials must use a minimum of 25% recycled materials in their process.
- 3. Businesses that collect materials to be recycled must recycle at least 50% of the material that they collect.
- 4. A business must be located within M-1 or M-2 zoning districts of Salt Lake City, and either west of I-215 or north of 600 North.
- 5. In the area north of 600 North, businesses will only qualify for the Program if they existed as of the date of adoption of Salt Lake City's Program, and only if they use a minimum of 25% recycled materials in a manufacturing process.
- 6. No businesses with outstanding zoning or other violations or unpaid fees will be given the RMDP designation.
- 7. Businesses may have their RMDP designation revoked or suspended for the tax year if they do not continue to meet all local and state regulatory requirements.
- 8. Businesses must submit an annual report to Salt Lake City by January 31 each year to be considered for the State incentives for the previous tax year.
- 9. The addition or removal of businesses from the list of RMDP facilities may be done by the Salt Lake City Sustainability Director, or their designee.

#### **Business Outreach**

Salt Lake City Corporation will complete outreach efforts to all local businesses that might qualify for this program. They will be encouraged to meet the requirements of the program by the use of recycled materials in their processes and meeting all local and state regulations.

The City is considering additional incentives to encourage business development based on "value added" to Salt Lake City. As further incentives are developed, the City's Economic Development Manager will reach out to approved RMDP businesses about the availability of these incentives.

Once approved, this program will be advertised on the City's website. Information will be posted to aid businesses the steps they must take to become an approved RMDP business.

#### **Development Project Coordination**

The City will provide development assistance through its Development Review Team (DRT). The DRT assists developers by providing input in the early stages of a project to identify potential problems and to facilitate the project's formal review.

**Business Development Assistance** 

The City's Economic Development Manager will help move projects through the proper city departments and will act as a single point of contact for all businesses. The Economic Development Manager will also reach out to manufacturers within the zone with information about the benefits of using a recycled feedstock.

Salt Lake City's Revolving Loan Fund

A start-up business can borrow up to \$100,000 based upon securing the loan and contributing an amount equal to the City's loan amount. A business established three or more years can also borrow up to \$100,000 contingent upon securing the loan, or obtain a loan greater than \$100,000 by providing a 2-to-1 ratio of private financing to City funds.

# Recycling development plan

**Expected investment** 

Some of the companies already established that receive the RMDP designation could expand their operations due to the savings they derive (as long as they comply with the requirements of the underlying land use zoning district). New industries that collect or use recycled products could apply to the city for the designation when they locate here.

#### Commitment from businesses

Businesses that have expressed interest in participating in the RMDP include:

- Arbor Pellet, 3268 W. 900 South
- Construction Recycling Inc. 620 S. Delong Street
- Cube Office Designs, 5062 W. Amelia Earhart Drive
- Flanders Precisionaire, Inc 879 S. 4400 West
- International Paper, 2590 W. 1500 South
- Metal Management West Inc., 3260 W. 500 South
- Momentum Recycling, 1909 S. 4250 West
- Owens Corning Recycling, 4340 W. 850 South
- Pallet Express, 3040 W. 900 South
- Rocky Mountain Recycling, 2950 W. 900 South
- <u>Utah Metal Works</u>, 805 W. Everett Avenue
- Varian Medical Systems, 1678 S. Pioneer Road
- Waste Management, 3550 W. 500 South
- Waste Management, 3405 W. 900 South

#### • Western Metals Recycling, 4221 W. 700 South

#### **Economic Development Plan**

The RMDP's overall development goals dovetail with Salt Lake City's economic development plan in two distinct ways:

As Salt Lake City looks to recruit new business and retain existing businesses, the RMDP will allow an additional business incentive. The City's economic development plan calls for creating new incentives for businesses or packaging incentives for specific businesses. The designation of a RMDP will add an additional tool for recruitment as well as for retention or expansion.

Salt Lake City is taking a lead role in environmentally-conscious public policy. To that end, the City has created an e2 Business program which offers an environmental analysis of business operations and management for companies located in Salt Lake City. The City is looking to increase environmentally conscious companies within City boundaries, particularly companies interested in taking a lead in strong environmental operations and programs. The establishment of a RMDP will allow staff to work with recycling businesses as models, and also to attract new businesses with strong environmental policies. Both businesses that recycle goods, as well as those that use recycled goods, will be targeted.

#### Land Use Zoning

The proposed geographic area for the RMDP requires an interested business to be located in M-1 or M-2 zoning districts, as these zoning classifications allow recycling activities. The business must also be located either west of I-215 or north of 600 North which creates a buffer between any residential or commercial zones and the highest concentration of manufacturing or recycling businesses. Additionally, in the area north of 600 North, businesses will only qualify for the Program if they existed as of the date of adoption of Salt Lake City's Program, and only if they use a minimum of 25% recycled materials in a manufacturing process.

Economic development is best achieved if all companies abide by existing zoning, hence all benefits from the State and the City would be contingent on company compliance with current zoning regulations.

#### Current Long Term Waste Management Plan

A Master Plan for the Salt Lake Valley Solid Waste Management Facility was updated in 1996 by Emcon Associates. The Master Plan contains provisions on: Design and Construction (including the End Use Plan), Operations, Environmental Monitoring, Ancillary Facilities, and Closure and Post Closure Maintenance. As discussed below, we expect the landfill to be operational until at least 2050.

Salt Lake City's dedication to recycling is exemplified by the recent creation of the Division of Sustainability, reporting to the Mayor's Chief Administrative Officer. The Sustainability Division provides policy and program direction to encourage sustainable practices both internally and in the community. The division has two full-time positions dedicated to waste reduction and recycling.

#### Postconsumer Waste Collection Infrastructure

Salt Lake City provides for weekly garbage and recycling collection from single family homes, duplexes, and triplexes. Multifamily complexes and businesses contract with private haulers for waste collection

and recycling.

Some multifamily complexes and businesses may be eligible to subscribe to the city's curbside collection program for a small fee.

Additional waste and recycling collection services the city offers for residents include: bulky waste (Neighborhood Clean-up Program), weekly yard waste collection, curbside leaf collection, and curbside Christmas tree collection.

#### Status and Capacity of Landfill

The Salt Lake Valley Solid Waste Management Council was formed under an interlocal agreement between Salt Lake County and Salt Lake City in 1979. The City and County own equal shares of the Salt Lake Valley Landfill (which was opened in 1982) and a transfer station (which was opened in 1999). In addition to the usual land disposal operations, the landfill also accommodates citizen unloading, green waste and wood waste processing, household hazardous waste, a private sludge composting area, and methane gas recovery. SLV jointly operates the Lee Kay Ponds, a wildlife habitat area, with the Utah Division of Wildlife Resources.

The SLVSWMF located at 6030 West California Avenue in Salt Lake City landfilled over 470,000 tons in the 2007 calendar year. Almost 2,000 tons were recycled at the landfill and another 24,000 tons were composted.

Due to increased recycling and diversion activities as well as the emergence of competing landfills and transfer stations to the Salt Lake valley market, the projected life of the facility has been extended past 2050.

#### **Assessing the Effectiveness**

Each business will be required to submit an annual report to Salt Lake City documenting the amount of material being recycled by each businesses and amount of material being used for manufacturing.

The number of businesses with the RMDP designation will also be an indicator of its effectiveness. Our goal will be for this number to increase over time.

#### Statement

Through the Recycle Market Development Program, Salt Lake City supports development of local markets for recyclable material in the city by assisting businesses that collect, process, distribute or use recycled materials in their manufacturing operations, or compost.

#### Salt Lake City Staff Contact:

Debbie Lyons, Recycling Program Manager Salt Lake City Corporation Division of Sustainability and the Environment P.O. Box 145470 Salt Lake City, UT 84114-5470

Phone: (801) 535-7795, Email: debbie.lyons@slcgov.com

#### NOTICE OF OPEN HOUSE SALT LAKE CITY DIVISION OF SUSTAINABILITY RECYCLING MARKET DEVELOPMENT PROGRAM

In 1996, the Utah Legislature created the Utah Recycling Market Development Zone Program which focuses on recycling as an economic development tool. The zone assists businesses that collect, process, distribute or use recycled materials in their manufacturing operations, or compost.

Utah cities and counties must formally apply to the Utah State Department of Community and Economic Development to establish a Recycling Market Development program. Salt Lake City, Sustainability Division will be requesting the City Council to sign a resolution approving the City's application to the program. Businesses must be located in an M-1 (Light Manufacturing) or M-2 (Heavy Manufacturing) Zoning District and either west of Interstate 215 or north of 600 North in Salt Lake City in order to qualify for Salt Lake City's program.

The Sustainability Division is requesting your input at this informal information session on the aforementioned program. As part of our review regarding this program, we will hold a public open house to describe the proposed program use and take your comments. Your comments will be analyzed by staff and included in our report to the City Council. You are invited to the public open house to be held:

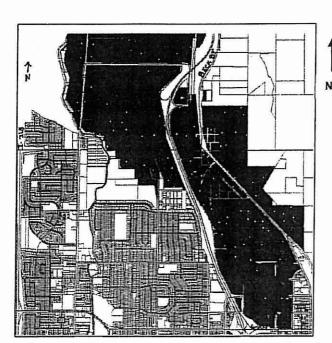
Tuesday, October 21, 2008

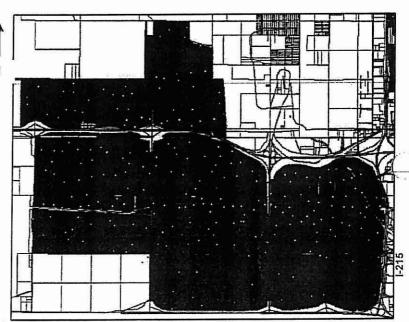
From 4:30 to 6:00 P.M.

#### ROOM 126 SALT LAKE CITY AND COUNTY BUILDING 451 SOUTH STATE STREET SALT LAKE CITY, UTAH

Since it is very difficult for us to inform all interested parties about this request, we would appreciate you discussing this matter with your neighbors and informing them of the meeting.

Please direct any questions you may have concerning this request to Debbie Lyons at 535-7795 or <a href="Debbie.Lyons@slcgov.com">Debbie.Lyons@slcgov.com</a>, Salt Lake City Corporation 451 South State Street, Room 135, Salt Lake City, Utah 84111. People with disabilities may make requests for reasonable accommodation no later than 48 hours in advance in order to attend this hearing. Accommodations may include alternate formats, interpreters, and other auxiliary aids. This is an accessible facility. For questions, requests, or additional information, please contact the Debbie Lyons at 535-7795; TDD 535-6219.





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### NOTICE OF OPEN HOUSE

Salt Lake City Sustainability Division P.O. Box 145470 451 South State Street Room 135 Salt Lake City Utah 84114-5470



# 2950 WEST 900 SOUTH PO BOX 26573 SALT LAKE CITY, UTAH 84126

PHONE 801-975-1820 + FAX 801-975-1821

November 4, 2008

#### Esteemed Council Members:

Rocky Mountain Recycling (RMR) wishes to communicate to you our full support for the inclusion of Salt Lake City within the Recycling Market Development Zone as proposed by the Sustainability Division. As the largest processor of residential curbside recycling in the region, RMR will benefit greatly by this inclusion and will be able to offer greater and more comprehensive municipal, commercial and industrial recycling options to our customers as a result of this designation.

An example of how the RMDZ will benefit both residents and business alike is the current retrofit of the RMR Curbside processing plant in South Salt Lake. The current equipment was installed eight years ago and was purchased used at the time. The sorting technology is at least 15 years old now and was in need a serious upgrade. The new system will not only employ more current technologies such as optical sorters, cardboard screens, paper separation screens, and an eddy current for the mechanical separation of aluminum cans, but will increase the productivity of the current system from 800 pounds/man hour to over 2500 pounds/man hour. While the project is located in South Salt Lake the plant will be a benefit to all residents within the region for many years to come.

We are very enthusiastic to see this project move forward with great haste. One component that will help new recycling projects succeed financially is the approval of the proposed designation of the City of Salt Lake City as a Recycling Market Development Zone. As you are aware, this program is administered by the State of Utah as a mechanism to increase the investment in the recycling infrastructure within the State. The program provides a 5% tax credit for the acquisition of recycling assets that will aid the State in increasing recycling opportunities for its citizens. While the program benefits the local communities, the costs for the program are borne by the State through the tax credit mechanism.

In addition to the large expansion we are currently undertaking at the South Salt Lake facility Rocky Mountain Recycling will be making ongoing purchases of recycling assets and improvements to the Salt Lake City Facility located at 2950 West 900 South as well.

Major projects that are currently on the drawing board for this facility include expansion of our sort line to include commercial and industrial material recovery and recycling. Our intention is to eventually install a new sort line that will focus on the commercial/business waste stream including a screen for cardboard, an optical separation system as well as an overhead magnet and glass separation screen. All of these projects will benefit from the designation of the City of Salt Lake as a Recycling Development Zone. This will also demonstrate the City's ongoing commitment to the success of recycling projects within the region.

Best regards,

John Sasine President Rocky Mountain Recycling

cc. Mayor Ralph Becker
Vicki Bennett – Sustainability Director
Debbie Lyons – Recycling Programs Manager

#### Lyons, Debbie

From:

Kate Whitbeck [kate@momentumrecycling.com]

Sent:

Monday, November 03, 2008 8:57 AM

To:

Lyons, Debbie

c:

John Lair; Jeff Whitbeck

Subject:

Recycling Market Development Zone

Dear Ms. Lyons,

Thank you for including us in the recent open house on Recycling Market Development Zones. We would like to submit the following comments to be shared with the City Council and Planning Commission.

We are very pleased that the City has found the time to establish a Recycling Market Development Zone. We are grateful for the time and effort that the Sustainability Division has allocated to the issue. We are a new, small business involved in recycling collection and consulting. We feel that we will be able to directly benefit from the tax credits offered through this Program. We are pleased to see that the city is recognizing the value of businesses which enhance the economic and environmental health of the City. We do ask that the city make every effort to place this Recycling Development Zone Program on the City Council Agenda before the end of the year so that effected businesses are able to take advantage of the Program in the 2008 tax year. Please don't hesitate to contact us for further comment for feedback. Sincere regards,

#### Kate Whitbeck

Momentum Recycling 1595 S. 900 E. Salt Lake City, UT 84105

\_)ffice: 801-355-0334 Mobile: 801-230-1091 Fax: 801-401-7212

kate@momentumrecycling.com www.momentumrecycling.com

#### Lyons, Debbie

From:

Tim Adair [tadair@cubeoffice.com]

Sent:

Tuesday, October 28, 2008 6:01 PM

To:

Lyons, Debbie

Subject: Recycling Meeting

Debbie.

Thank you for hosting the meeting yesterday to explain Salt Lake's proposed Recyle Market Development Program.

I want to take a minute to express my support for this program. The benefits to our businesses and community are obvious. As a business much of what we do involves recycling and the tax credits from the State of Utah would be welcome in a difficult business environment. Salt Lake City will enjoy less material taken to the landfill with little additional cost to implement the program as the business incentives are funded by the state. This seems like a win-win for business and the community of Salt Lake City.

I would highly encourage our City Council to adopt this progam as soon as possible--in 2008 if possible.

#### Thanks,

#### Tim Adair

Cube Office Designs 5062 Amelia Earhart Dr. Salt Lake City, Utah 84116 801.364.2823 tadair@cubeoffice.com

### Lyons, Debbie

From: Jeff Sokol [Jeff.Sokol@varian.com]

Sent: Wednesday, October 22, 2008 10:15 AM

To: Lyons, Debbie

Subject: RE: Recycling Market Development

Varian Manufactures X-ray tubes and imaging devices. Our take back program focuses mainly on the end of life cycle return of the X-ray tubes and housing. Approximately 80-90% of that material is then recycled including copper, gold, silver, steal, lead, mercury, beryllium, and glass.

Our partners that are in the proposed zone are Marko Foam (foam and cardboard packaging) and Certified Shred (White paper & comingled office).

We also have a strong relationship with Interwestpaper/Pro Polymers (corrigated and plastics) and Western Metals. We are currently working on transitioning to momentum recycling for our glass recycling.

From: Lyons, Debbie [mailto:debbie.lyons@slcgov.com]

Sent: Wednesday, October 22, 2008 9:57 AM

To: Jeff Sokol

Subject: RE: Recycling Market Development

Thanks for the support. Can you give me an idea of the type of items you take back, and also who some of your suppliers or partners are (if you are comfortable sharing that information.)

Thanks again.

Debbie Lyons Recycling Programs Manager Salt Lake City Corporation P.O. Box 145470 Salt Lake City, UT 84114-5470 801.535.7795

From: Jeff Sokol [mailto:Jeff.Sokol@varian.com] Sent: Wednesday, October 22, 2008 9:54 AM

To: Lyons, Debbie

Subject: Recycling Market Development

Varian is pleased to support the creation of the Salt Lake City Recycling Market Development Zone. The creation of the zone will directly aid in the expansion of our end of lifecycle take back/recycling program. It will also benifit our internal recycling program by supporting our recycling suppliers/partners.

Jeff Sokol Green Coordinator Varian Medical Systems

Let me know if there is anything else you need.