

# The Recycling Loan Fund 2019 Update

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# Purpose

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- Stimulate recycling markets, business development and job growth.
- Provide competitive loans to recycling businesses – entities that may otherwise experience hurdles to traditional financing.
- Assist recycling businesses in leveraging additional financing.



# Overview

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- Eligible activities:

- Collecting or separating recyclable materials.
- Reuse, processing, composting or converting recyclable materials into marketable products.
- Manufacturing products that use recycled materials.
- Wholesaling or retailing of recycled feedstocks or products containing a significant percentage of recycled materials.
- Businesses such as food processors that are not recycling or composting businesses, but that generate food waste, may be eligible to develop on-site composting or digestion operations for food waste diversion.

- Permanent working capital, refinancing, real estate, machinery and equipment, acquisition financing.
- Terms up to ten years.
- Loans from \$50,000 to \$500,000 (up to \$1.5 million for anaerobic digestion projects).



# Background

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- ◉ Revolving fund.
- ◉ Established in 1995.
- ◉ Capitalized with ~ \$5 million in funds from MassDEP.
- ◉ Administered by BDC Capital (formerly the Massachusetts Business Development Corporation).



# History

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- Provided 74 loans for a total of over \$16 million.
- First anaerobic digestion project funded in 2013. There have since been three others (fourth upcoming in February).
- Massachusetts Department of Energy Resources provided additional \$3 million in funding.



# History

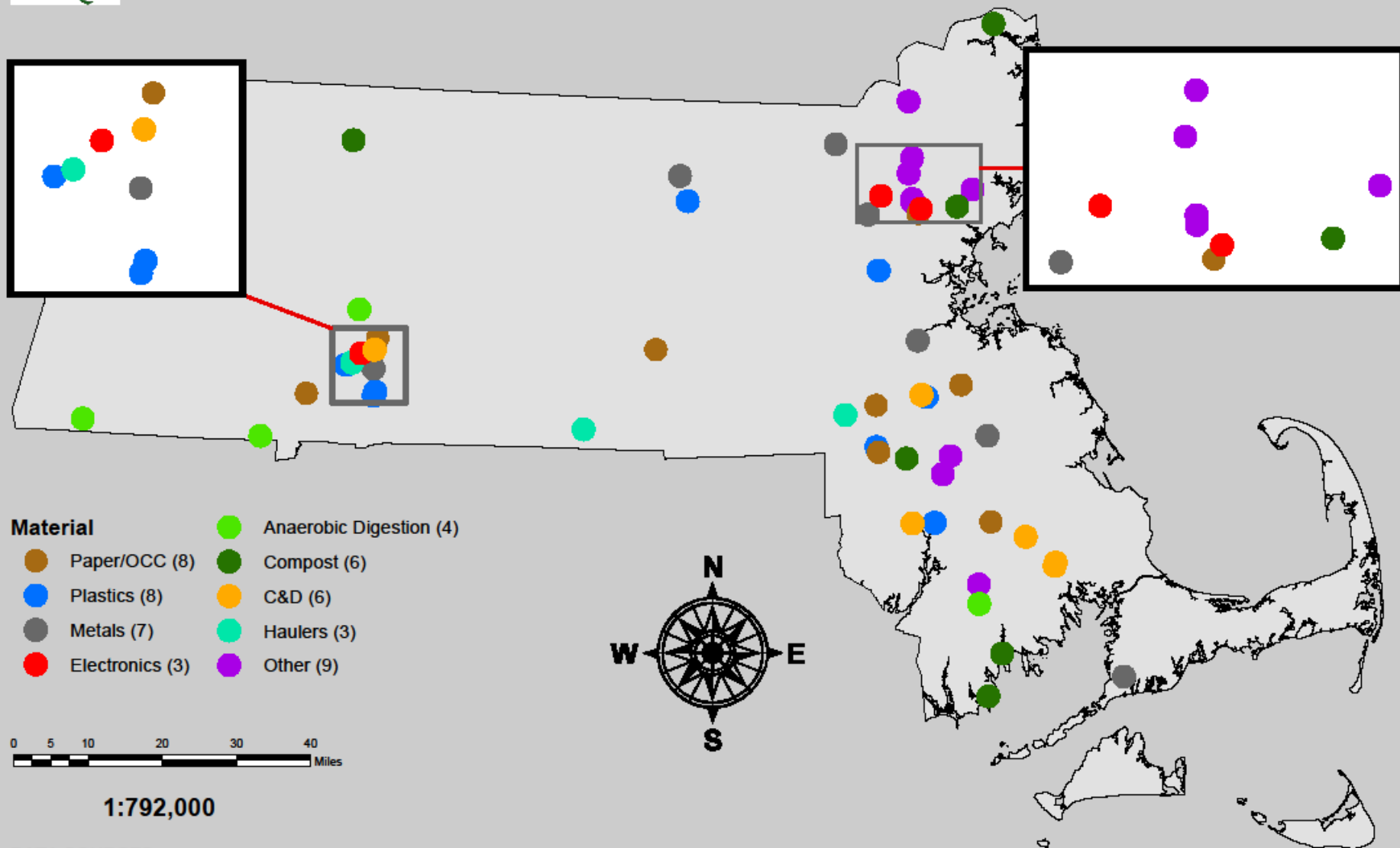
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- 54 different companies have received loans:
  - Anaerobic digestion (4)
  - Composting (6)
  - Construction and demolition materials (6)
    - Electronics (3)
  - Hauling (3)
  - Metals (7)
  - Paper (8)
  - Plastics (8)

Other: glass (1), office furniture (1), polystyrene (1) processing (1), textiles (2), tires (2), wood (1)



# Recycling Loan Fund Loan Recipients



DATA SOURCES:  
- RBDG Grantees: MassDEP BAW, January, 2019

Map Updated January, 2019



# Future Outlook

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- RLF contract with BDC Capital renewed for three years with renewal options.
- Target materials:
  - Organics/food materials
  - Mattresses
  - Plastics: film or bulky rigid
  - Glass: container, plate or windshield
  - Construction and demolition materials
- Marketing
- Ideas for reaching sectors



# More Information

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- BDC website:

- <http://www.bdcnewengland.com/programs/massachusetts-recycling-loan-fund/>

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