



Date: December 13, 2022

Honorable Mayor and Council Members:

Author and title: Melanie Conti, Program Analyst I

Title: Single-Use Foodware Reduction Ordinance Grant Guidelines

Approved By: _____ Jen Callaway, Town Manager

Recommended Action: Approve business grant guidelines for single-use foodware reduction ordinance implementation.

Discussion:

I. Background

On November 8, 2022, Town Council approved a Single-use Foodware Reduction Ordinance (Ordinance 2022-09). One of Truckee Town Council's priorities is to "reduce greenhouse gas emissions and become a leader in environmental sustainability." The new single-use foodware ordinance is consistent with this priority as well as with Truckee's Draft Climate Action Plan Goal 10, to "Minimize embedded carbon emissions and reduce overall consumption." The objectives of the Ordinance are:

1. Reduce local use of single-use foodware, therefore reducing materials sent to landfill, preventing litter impacts on the environment, and eliminating embedded carbon emissions from production of disposable foodware products.
2. Shift the community culture towards reusable foodware by providing infrastructure, incentivizing customer behavior change, and educating the community on the benefits of reusing foodware.
3. Ensure actions are applied equitably and not overly burdensome to specific businesses or customers, illustrated through grant funding and waivers on restrictions and fees.

The requirements of the Ordinance include:

- A ban on the sale and distribution of expanded polystyrene (also known as Styrofoam) – effective April 1, 2023
- Prepared food vendors must provide reusable foodware for customers dining-in – effective January 1, 2024
- \$0.25 customer fee on disposable takeout containers and disposable cups – effective January 1, 2024
- Single-use accessory foodware items (straws, napkins, utensils, etc.) must only be provided to a customer if requested – effective January 1, 2024

The Single-use Foodware Reduction Working Group met to develop recommendations on the ordinance policies and implementation strategies, including Town assistance through grant funding. Recommendations from the working group included providing funding for non-Styrofoam alternative foodware, reusable foodware to transition to in-house dining reusable requirements, and dishwashing procurement, permitting, and installation. The recommendation is also to keep the grant process simple and approachable to incentivize businesses to apply. Technical assistance will also be provided to businesses throughout the implementation phase, which will include providing hands-on assistance in understanding grant programs and the application process.

II. Grant Guidelines

Grant 1: Funding for non-Styrofoam alternative foodware to replace Styrofoam foodware

- Prepared food vendors within Truckee currently providing or distributing Styrofoam foodware are eligible. Funding is not available for expanded polystyrene products that are sold (e.g. expanded polystyrene coolers) or packaged food packaged in expanded polystyrene (e.g. egg cartons and meat trays).
- Up to \$300 available per business for procurement of non-Styrofoam foodware
- Grant applications due April 1, 2023
- Reimbursement forms and documents due by June 1, 2023

Background: Non-Styrofoam alternatives for different foodware items (cups, takeout containers, plates, trays, etc.) can be 25-85% more expensive than the Styrofoam foodware product. Depending on the non-Styrofoam alternative a business purchase, \$300 of funding could purchase 500-1,000 non-Styrofoam takeout containers.

Grant 2: Single-use foodware reduction

Eligible businesses can apply for up to \$1,500 of funding through funding Categories A (\$1,000) and B (\$500) below.

Category A: dishwashing equipment

- Prepared food vendors within Truckee are eligible
- Up to \$1,000 available per business for procurement or installation of new or upgraded equipment to wash and sanitize reusable foodware
 - May include purchase or pre-paid lease of new dishwasher, reimbursement for permit fees required for installation, or other installation costs
- Grant applications for funding are due by December 1, 2023
- Reimbursement forms and documents are due by February 1, 2024

Background: Eight businesses responded to surveys indicating that they would be interested in funding support to install or procure a new or upgraded dishwasher. Many food establishments lease dishwashers, with leases ranging from \$100-\$300/month. Permits from Nevada County Environmental Health for dishwasher installation review can cost about \$200, and Town of Truckee building permits can cost \$200 for plumbing infrastructure, and \$100 more when electrical is involved.

Category B: single-use foodware reduction

- Prepared food vendors within Truckee currently utilizing disposable foodware products for in-house dining are eligible for funding.
- Up to \$500 available per business for procurement of:
 - Reusable foodware to replace disposable foodware used for in-house dining
 - Dishwashing chemicals
 - Bulk dispensers for accessory foodware items (condiments, utensils, napkins, etc)
- Grant applications for funding are due by December 1, 2023
- Reimbursement forms and documents are due by February 1, 2024
- Reporting: businesses applying for funding for reusable foodware and bulk accessory foodware dispensers shall provide baseline inventories of disposable foodware products purchased to

measure the number of disposable items prevented and cost savings. Technical assistance will be provided to assist in this data reporting if needed.

Background: Rethink Disposable, a program of Clean Water Action and Clean Water Fund, has worked with over 250 businesses across the Bay Area by providing funding to transition to reusable foodware. Depending on the restaurant size, Rethink Disposable's case study data indicates the transition typically costs about \$500 to procure reusable foodware items. According to survey responses from Truckee businesses, cups and utensils are the most common disposable foodware item provided for dining-in. Depending on the type of reusable foodware product a business purchases, \$500 of funding could purchase about 300 reusable utensil sets or 400 reusable cups. In addition, dishwashing chemicals cost \$0.05-\$0.07/load, and bulk refill dispensers can cost \$100-\$200.

Funding breakdown

The Adopted FY22/23 CIP budget C2309 includes \$40,000 to support this grant program. Staff estimates the following budget breakdown for the grant program, assuming high-end estimates for the number of businesses to apply for each grant program and that each business utilizes the maximum amount available. If the program is oversubscribed and additional funding is needed, a CIP budget amendment will be brought to Town Council. Additional funding will come from the Solid Waste Enterprise Fund.

| | Grant Amount | Estimated Number of Businesses | Total Budget | Notes |
|-----------------------|--------------|--------------------------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Styrofoam Transition | \$300 | 11 | \$3,300 | 11 restaurants we are aware of are using EPS products |
| Dishwashing Equipment | \$1,000 | 16 | \$16,000 | 8 businesses responded to survey for help with dishwashing installation; assuming additional number of businesses will need support (52 total impacted by reusables in-house) |
| Reusables In-House | \$500 | 41 | \$20,500 | 52 limited-service businesses impacted, assuming 80% participation |
| Total | | | \$39,800 | |

Reusable Green Box Program

Implementation of a \$0.25 customer fee for disposable takeout containers and grant funding for businesses to install or upgrade dishwashing equipment may increase business and customer interest in participating in the Town's reusable green box program. Outreach and technical assistance to businesses will include providing information on the reusable green box program and additional Town incentives to participate. New businesses to the program are provided 100 boxes for no cost. The Town purchases the boxes in bulk from the manufacturer to reduce the cost per box to about \$5 each, and after providing 100 boxes, additional boxes are sold to the participating businesses for \$2 each. Businesses can then sell each box for \$5 to new customers to the program or swap out boxes from customers already in possession of a box. Businesses are responsible for sanitizing returned boxes.

III. Outreach and Implementation

Grant applications will be released in January 2023. Town staff will conduct outreach and technical assistance for expanded polystyrene restrictions January through March 2023. Outreach and technical assistance for other ordinance requirements will take place March through December 2023. Technical assistance will include providing assistance in understanding and applying for grant programs. An RFP has been released for consultant support in conducting outreach and technical assistance to limited-service restaurants. Outreach to all businesses will include email blasts, bill inserts, printed materials, and door to door visits.

Priority:

| | | |
|----------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------|
| <input type="checkbox"/> Enhanced Communication | <input checked="" type="checkbox"/> Climate and Greenhouse Gas Reduction | <input type="checkbox"/> Housing |
| <input type="checkbox"/> Infrastructure Investment | <input type="checkbox"/> Emergency and Wildfire Preparedness | <input type="checkbox"/> Core Service |

Fiscal Impact: The Adopted FY22/23 CIP budget C2309 includes \$50,000 to support implementation of these policies, comprised of \$40,000 for business grants and \$10,000 for outreach and education. Staff anticipate that this approved budget is sufficient for program implementation.

Public Communication:

- Working group agenda postings
- Agenda Posting

Attachments:

1. Grant Guidelines for Non-Styrofoam Foodware Grant
2. Grant Guidelines for Single-use Foodware Reduction Grant