

SB 458 Pilot CRV Recycling Center Project description:

San Francisco has long been a leader in recycling. In the 1970's buy-back recycling centers opened in many local grocery store parking lots as part of the "Many Happy Returns" program run by industry. After the passage of AB 2020 the number of certified recycling centers in San Francisco (SF) steadily increased until it reached 35 sites in 1990. However, since then it has declined significantly in recent years from 21 sites in 2010 to only 6 sites in 2019, and with the recent closure of RePlanet that number dropped to 4. This results in about 5% convenience in SF, the state average is over 45%. There are currently about 50 convenience zones (CZs) in that are unserved.

As a result of this lack of convenience CalRecycle enforcement action has resulted in the following:

- 95 stores are paying an "in lieu" fee of \$100/day to NOT recycle. This Option B represents over \$3.2 Million on an annual basis paid to CalRecycle.
- 300+ smaller beverage dealers are choosing Option A, "redeeming in store" over their check-out counters. This is very disruptive, taking up both labor and precious space in already strained conditions common to SF, putting recycled containers in spaces often shared with fresh foods.

The City of San Francisco's Department of Environment (SFE), working in tandem with the SF CRV Convenience Alliance (Alliance), proposes to establish a new pilot system of CRV redemption recycling options that brings the entire city of San Francisco (SF) into CRV convenience over the course of 2-4 years.

The BottleBank™ program for the Bag Drop plan revolves around using mobile CRV sites that function like the bookmobile or food trucks, in that they are at specific locations according to a schedule for designated hours on designated days.

This will be accomplished primarily through the use of mobile recycling options regularly located in parking lots in accordance with an established plan that includes well-publicized in traditional fashion and electronically connected. They show up on schedule, perform service for the public, close-up shop and move on to another site - usually later that same day. The schedule can be accessed by website or smart phone BottleBank™ application, the app also keeps the Bottle Banker's account current.

This plan will also feature a "Bag Drop" system for consumers to deposit their CRV containers into a locked, secure drop-off bin with accompanying identification means so that the consumer is properly credited. The recycler will then be paid electronically within 72 hours of drop-off of CRV materials. This is an entirely new system for SF and California, and it will be developed and vetted with CalRecycle and City of SF assistance and oversight.

In this way BottleBank™ can provide clean, well-lighted places for recycling across the city quickly and reliably, phasing in more sites as conditions require and allow. We will build capacity as the demand increases, starting with one fixed site and two mobile trucks. The trucks will each serve up to 2-3 sites each day, or up to 24—30 sites per week. Initial capacity is 8+ million incremental CRV containers annually into material separated streams.

TARGET AUDIENCE and GEOGRAPHY

The geographic area unserved is defined by districts #1 through 8, plus SF has 11 Supervisors' districts, when you overlay the 11 districts with the CalRecycle map of CZs in the City, only 3 districts have some degree of served convenience: #9, 10, and 11.

The citizens that would be served by this pilot in districts #1 - 8 would be those consumers that are currently completely unserved. Most consumers that do redeem have to go at least 3 miles to one of the 6 RCs that are still open. This pilot of mobile RCs would address the broad lack of convenience.

Partners, Agencies, Businesses and Organizations

SFE has been organizing a response to the lack of convenience in SF for over 3 years, meeting consistently with the almost all supermarkets and many smaller beverage dealers and their trade groups such as the Small Business Commission, Arab Grocers Association and the Council of District Merchants. That effort has led to the formation over 2 years ago of the Alliance.

The current Alliance members are Safeway, Whole Foods Markets, Trader Joe's, Lucky's, Costco and Rainbow Grocery Co-op. The Alliance has obtained formal 501(c) 6 non-profit status (see attached to Alliance application) and the Alliance collects dues from its members to support the effort. The SFE has been organizing these members, who will continue to help with the roll out and promotion of the pilots.

The Mayor's Office, SFE and other relevant city departments, Board of Supervisors, Senator Scott Wiener are part of the citywide approval and execution. As well, Recology, the permitted hauler and recycling service provider in San Francisco has been involved in the project.

Key operating partners, who are submitting "Pilot Project Recycler" applications with this Pilot Project Jurisdiction Application are:

- San Francisco Conservation Corps (SFCC) – a youth service non-profit focusing on recycling and environmental stewardship as well as community development and implementation of public projects across SF
- Our Planet – a certified redemption center operator in SF operating the highest volume redemption center in SF for the past 5+ years.

GOAL:

Deliver citywide CRV redemption convenience by adding mobile sites -- we'll start with 16 parking lots in the first phase -- these locations correspond with little or no convenience in districts #1 - 8. The project will take the full available period 2020 to 2022 to fulfill citywide convenience, and the intention is for the project to continue after the SB458 pilot period to further improve convenience in each district to a measureable level.

This goal will be built and expanded by 10 million CRVable increments. This number is the annual capacity of each sorting table needed to assure accurate CRV by SKU accounting to each customer of the system.

CRV Volume currently in the City of SF in 2017 was, in weight for: glass 86 million, aluminum 3 million, PET 8 million, HDPE 2.5 million pounds which totals to approximately 500 million units of CRVables.

It is the SFE and the Alliance's intention to increase the amount recovered by 8 million CRVables in the first year of operation and by 16 million units in the second year. The program is intended to continue to grow in subsequent years in response to consumer demand and in accordance with relevant state legislative authority.

SFE will continue to support the project as it moves forward. This will take the form of funds from the City County Payment Funds and in the form of staff support.

Education

As bag drop is a new habit we will need to invest in a learning curve.

SFE has already engaged Gauger Associates, a well-known San Francisco public relations, media and product introduction firm, to develop a brand book, which is attached.

We will continue to engage Gauger or a like company in the roll out phase of this project with PR and brand building. We will target 12 to 35 year olds.

We will also promote at the large IT companies in SF such as Google, Apple, Uber, Twitter, etc. We would use internet, smart phone friendly social media, as well as traditional event co-branding wherever appropriate (at schools, farmer's markets, and parks). PR would include a strategy to promote BottleBank™ via radio, TV and print media.

We would spend the education monies on outreach to the consuming public on how to sign up, get bags, do fundraising, etc. On our website (sfbottlebank.org) we would promote the new program, explain the benefits of recycling. At the BottleBank™ centers there will be monitors that promote the bag drop, give sponsors an ability to promote their own recycling messages,

and keep San Franciscans up to date by (transparently) showing various City reduction, reuse, and recycling data and trends. Almost all messaging would have an education component.

We will also have a smart phone application, so the users could easily find a mobile center's schedule.

See following pages:

"SF CZ Map early August 2019"

"Potential Mobile CRV Center Locations" from Jurisdiction Application.

DRAFT "Bottle Bank Pilot Program Concept Book".