APPLICATION INSTRUCTIONS

FOR

MISSOURI MARKET DEVELOPMENT PROGRAM

FINANCIAL ASSISTANCE

Environmental Improvement & Energy Resources Authority

Interested applicants should check our website for updates regarding future application cycles and deadlines.

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1.0 General Information

The Missouri Market Development Program (MMDP), administered by the Environmental Improvement and Energy Resources Authority (EIERA), provides financial assistance to support businesses and organizations that expand or develop markets for recovered materials. The MMDP encourages innovative projects that increase the use of recyclable or recovered materials in manufacturing, create new products made from recovered feedstocks, and strengthen local recycling economies. Eligible applicants may include private businesses, nonprofits, and local governments seeking funding for equipment, technology, or other capital investments that enhance the processing or end-use of recovered materials. Detailed eligibility requirements can be found in Section 2.0.

This document is for informational purposes only. Application forms and required documentation must be completed separately and submitted as part of an official application. This document provides information regarding the MMDP's Financial Assistance Application, program objectives, eligibility requirements, and the application process. It is intended to help applicants understand the scope of the application and prepare strong, complete applications that align with program goals.

1.1 Program Objective

The MMDP was created to promote recycling throughout Missouri by focusing economic development efforts on businesses and projects that use materials recovered from solid waste. Successful expansion of markets for recovered materials supports increased recycling activities helping the state to reach its solid waste reduction goals. New recycling infrastructure creates jobs and opportunities by adding value to recovered materials. As progress is made in reducing Missouri's solid waste through recycling and waste reduction, new recycling industries will be needed.

The financial assistance offered by the MMDP is targeted toward developing and expanding manufacturing capacity in Missouri that utilizes recovered materials. Manufacturing, for the purpose of the program, is any type of activity that utilizes recovered materials as feedstock to produce a marketable product.

1.2 Program Administration

The EIERA, in cooperation with the Department of Natural Resources (DNR) and Department of Economic Development (DED), administers the MMDP. Monies for the MMDP come from the Solid Waste Management Fund created pursuant to RSMo. Section 260.330. The source of the

funds is a per ton solid waste fee levied at sanitary landfills, demolition landfills, and transfer stations.

1.3 Selection Process

All applications are first reviewed for completeness. Incomplete applications will be returned with feedback and revision recommendations. Deficient or incomplete applications will delay consideration.

The Market Development Steering Committee, comprised of representatives from EIERA, DNR and DED, will evaluate all completed applications based on the program's evaluation criteria as described in Section 2.0. Projects that meet or exceed the criteria will be ranked and scored. Scored applications will then be presented to the EIERA Board for final selection subject to the availability of funds.

2.0 Application Requirements & Evaluation Criteria

In order to be considered for funding, the project must:

1. Meet the general eligibility requirements in Section 2.1,
2. Earn the minimum evaluation score in Section 2.2, and
3. Submit all required application documentation described in Section 2.3.

The Market Development Steering Committee reserves the right to accept, reject, or request changes in any application for financial assistance. The committee may recommend any number of applications, as deemed in the best public interest of the State of Missouri. The Market Development Steering Committee is not obligated to provide a debriefing for unsuccessful applicants. The MMDP is not liable for any costs incurred by any parties seeking funding.

2.1 General Eligibility Requirements for Applicants

In order to be eligible for financial assistance, the applicant/project must meet the following criteria:

- Applicant is an individual, private business, non-profit organization or public institution currently operating in Missouri or who will be operating in the State as a result of the project.
- Project must be located in Missouri.
- Project must be based on a technology that has been demonstrated beyond the research stage and must be technically feasible for full-scale operation and comply with all applicable environmental, safety, and legal requirements.

- Project must result in either the manufacturing of products from recovered materials and/or the final processing of recovered materials into feedstock for another manufacturer or product.

Previous Grantees: An applicant that has previously received financial assistance from the MMDP may apply if the previously approved project is complete and all terms of the agreement are met. In order to be considered for funding, repeat applications from previous grantees must demonstrate that a new product will be developed, different recovered materials will be used or a significant increase in diversion will be realized. A combination of these outcomes will strengthen the application. Please note that first-time applicants will take priority over repeat applicants when ranking all projects.

The following projects are ineligible:

- Research and development projects involving unproven technology.
- Projects utilizing the following materials:
  - recovered metals;
  - white goods;
  - materials and by-products generated from, and reused within, the original process; or
  - materials disposed of at a hazardous waste landfill or materials considered to be hazardous such as lead, acids and solvents.

For more information about hazardous materials, please contact:	**Missouri Department of Natural Resources** **Waste Management Program** **P.O. Box 176** **Jefferson City, Missouri 65102** **(573) 751-3176**

2.2 Evaluation Metrics

Applicants may request up to $100,000 through the MMDP towards the purchase of specific equipment needed to manufacture a product from recovered materials or process materials for use as manufacturing feedstock.

After confirming eligibility, EIERA assigns points to applications based on the evaluation criteria within Table 1 below. An eligible application must score points in each of the 3 mandatory categories (job creation, annual diversion, and contribution provided by the applicant) to be considered for funding. Additional points are available, but not required, in the fourth bonus criteria category to incentivize projects in certain locations or for certain material types.

The steering committee ranks projects from highest to lowest score and allots available funding to selected projects in scoring order from highest to lowest. The amount of financial assistance that each successful application is eligible to receive is determined by the total number of points the application has earned, as described within Table 2 below.

Applicants are encouraged to use the Missouri Market Development Program Award Amount Estimate Tool to understand how points are calculated and to estimate potential score.

Table 1. MMDP Evaluation Criteria

Category	Criteria	Points	Mandatory Category
Jobs Created	0–2	5	Yes
	3–5	10	
	6–10	15	
	11+	20	
Tons Diverted Annually	20-499	5	Yes
	500-999	10	
	1,000-10,000	15	
	10,000+	20	
Applicant Match	25% of requested award	25	Yes
	50% of requested award	50	
	75% of requested award	75	
	100% of requested award	100	
Bonus Criteria (minimum of 1 criterion met)	Material is: • Construction and demolition waste, • Food waste and organics, • Plastics, • Tires, or • Location is in a minimally funded Missouri Solid Waste Management District (SWMD).[1]	25	No

[1] Currently the following SWMDs are minimally funded:

- Region A – Northwest Mo SWMD
- Region B – North Mo SWMD
- Region C - Northeast Mo SWMD
- Region J – Quad-Lakes SWMD
- Region N – Southwest Missouri SWMD
- Region Q – Ozark Foothills SWMD
- Region T – Lake of the Ozarks SWMD

See the DNR Solid Waste Management Districts page to check the current status of district funding.

Table 2. Award Amounts

Award Amount	Minimum Points
Up to $50,000	35
Up to $75,000	75
Up to $100,000	140

2.2.1 Additional Evaluation Criteria

In addition to minimum evaluation metrics, the MMDP is particularly interested in projects that expand Missouri's recycling business base while building markets for the materials collected through Missouri's local recycling programs.

Additional factors which will be considered in determining whether to fund a project include type of recovered material used, strategy for market development, operational capacity, technical feasibility, financial feasibility, and prior awards from the MMDP.

A credit report may be requested to further evaluate an application for financial assistance. Typically, the report will be obtained on the business applying for financial assistance. However, if the business is new and does not have a credit history, a credit report will be obtained on the individual owner(s). Strict confidentially will be maintained. If your business is new and does not have a credit history, please contact the program.

2.3 Submittal Requirements

Please check the EIERA website for funding availability. In order to be considered for funding, the applicant must submit a complete MMDP application. Complete applications must have all questions and fields addressed and must be accompanied by all required supporting attachments.

After a complete application is submitted, generally, a minimum of 10 weeks is needed for evaluation, recommendation and final decision. Following approval of funding, terms of an agreement will be developed, and an agreement must be executed. Electronic signatures are acceptable.

2.3.1 Confidentiality of Submitted Materials

To the extent feasible and permissible by law, the MMDP will honor an applicant's request to keep financial and proprietary information submitted in an application confidential. Applicants must clearly identify in the application the data or other content to be protected and state both the reasons why such exemption from public disclosure is necessary and the legal basis for such exemption. All other contents of the submitted applications become public record. Such

information will be treated as confidential only if each page of the information to be kept confidential is specifically marked or identified as confidential by the applicant. All other contents of the submitted applications become public record.

2.3.2 Application Format and Submittal

EIERA prefers all applications be submitted electronically via email in PDF format, although mail and hand delivered applications are also accepted.

Please email or mail application to:	**Missouri Market Development Program** **Email: eiera@eiera.mo.gov** **Mailing Address: P.O. Box 744, Jefferson City, MO 65102** **Physical Address: 425 Madison Street, 2nd Floor, Jefferson City, MO 65101**

3.0 Financial Assistance Recipient Requirements

Recipients selected for financial assistance must comply with the requirements set forth in this section.

3.1 Financial Assistance Agreement

Projects receiving financial assistance from the EIERA's MMDP will be required to enter into an agreement with the EIERA. The Agreement will be secured through a security interest on the equipment purchased with MMDP funds, and a Demand Note. Ten percent of the financial assistance amount may be held as retainage until the end of the project. These steps are taken to ensure that the monies provided through the Solid Waste Management Fund, and ultimately by the citizens of Missouri, are used appropriately.

The approved application for financial assistance will be incorporated into the Agreement as the Scope of Work. Upon successful completion of the project within the agreed timeframe, all necessary requirements in the Agreement, including the security interest in the equipment and demand note will be released.

Following is a brief discussion of some of the requirements of the Financial Assistance Agreement.

3.2 Term

The term for all projects, unless otherwise noted in the Agreement, shall be for approximately two years. The effective date of the agreement will depend on the specific project, and the date of approval.

3.3 Project Reports and Inspections

Quarterly reports are required, detailing the project's progress and including information on tons diverted for that quarter, problems encountered, status of scope of work schedule and production. Reports are due by January 10, April 10, July 10 and October 10. In addition, projects may be asked to provide an informal presentation to the Steering Committee on or near the first anniversary of the agreement.

Post-Award Checklist These documents will be required after the applicant has been awarded financial assistance through the MMDP.	
Document Name	**Summary of Document**
Quarterly Report Form	Reports detailing the progress of the project
Comprehensive Final Report Form	Summary of project achievements after receiving financial assistance from the MMDP

At the start of the project, once the purchased equipment is installed and operational, an initial inspection visit will be conducted to confirm that the equipment is set up and in use as intended. A final visit will occur at the end of the project period to verify that the equipment remains on site and in working condition.

A final report will be requested at the end of the project. This is a comprehensive report over the term of the agreement detailing total tons diverted, project successes, problems encountered and any information for improvement of the MMDP.

3.4 Retainage/Compensation

The program may retain, at its option, up to 10% of the financial assistance until project is completed as additional security. Upon successful completion of a project, all quarterly reports are submitted as required and a final comprehensive report provided, any funding retained until project completion will be provided as soon after the termination date of the Agreement as possible. If any terms of the Agreement are violated, the retained monies will not be provided.

Also, in the case of Agreement violations, the EIERA may seek return of compensation as provided under the Agreement. The EIERA will provide written documentation of Agreement violations.

3.5 Accounting System

Projects receiving financial assistance from the MMDP shall maintain an accounting system according to generally accepted accounting principles that accurately reflects all financial transactions, incorporates appropriate controls and safeguards, and provides clear references to the project proposal. Accounting records must be supported by such source documentation as canceled checks, paid bills, payrolls, time records, contracts, and agreement award documents.

3.6 Retention and Custodial Requirements for Records

Projects receiving financial assistance shall retain all records and supporting documents directly related to the project for a period of three years from the date of submission of the final report. Upon request, they must be made available to the MMDP.

3.7 Permits

It is the responsibility of the applicant to comply with all applicable environmental laws and regulations and to obtain all required permits and licenses for the operation of the project. Proof of proper permits may be requested before funding is provided.

3.8 Taxes

The applicant is responsible for determination and payment of any taxes relating to the Agreement. The applicant will receive a Form 1099 from EIERA in January after funding has been provided.

3.9 Use of Financial Assistance Funds

Eligible expenses include only the purchase of manufacturing equipment and machinery (or the conversion of existing equipment and machinery) to manufacture products that contain recovered materials (other than internal waste or mill-broke). Equipment purchased for the final processing of recovered materials to be used by others in the manufacture of recycled-content products is also eligible. Equipment purchased with MMDP funds should "add value" to the recovered material being used.

Equipment purchases must be made <u>after the effective date of a signed agreement</u> to be eligible for funding up to the approved amount. Applicants will be notified via email when they can order/purchase equipment.

3.10 Financial Assistance Amount

Please check the EIERA website for funding availability and application deadlines. Applications received after the funds available for the fiscal year have been committed to successful applicants will be returned.

Upon financial assistance approval, the MMDP may fund up to 75 percent of specific equipment costs with a maximum funding level of $100,000. Eligibility for specific award amounts will be determined as described in Section 2.2. The amount of funding offered will be determined in the evaluation process by the Market Development Steering Committee.

For more information

Missouri Market Development Program
P.O. Box 744
425 Madison St., 2nd Floor
Jefferson City, MO 65102
573-526-5555
eiera@eiera.mo.gov

Appendix A: Sample Project Workplan and Timetable

Complete the timetable for 24 months or through completion of the proposed project.

PROJECT WORKPLAN AND TIMETABLE – EXAMPLE ONLY	
Project Month:	**Description of goals/plans accomplished:**
1st Month	Financial Assistance approved through the MMDP.
	Currently diverting 3000 pallets per month from Missouri's landfills.
2nd Month	Loan approval for the shop building.
	Shop construction groundbreaking.
3rd Month	Owner will purchase and receive equipment.
4th Month	Officer/Secretary files first project report with the MMDP.
	Now diverting 4000 pallets per month from Missouri landfills.
5th Month	Completion of building, move into the new shop.
6th Month	Hire fourth full-time employee. This employee will be in training to strip and rebuild pallets and will take over the delivering of the finished product.
7th Month	Project manager will purchase 4 truckloads of pallets per week this month and each month to follow.
	Hire fifth full-time employee. This employee will take over the delivering of the finished products and after delivery will haul off unwanted pallets from the delivery site allowing the fourth employee hired to spend his time solely rebuilding.
	Now diverting 8,000 pallets per month from Missouri landfills.

Appendix B: Officer's Certification of Financial Statements Template

This Certificate must be printed on your Company's letterhead.

OFFICER'S CERTIFICATION OF FINANCIAL STATEMENTS

[Insert Company Name]

Financial Statements for the Year Ended *[Insert Date]*

I hereby certify that I am *[Insert Title]* of *[Company Name]* and that the enclosed financial statements for the year ended *[Insert Date]* have been prepared in accordance with *[generally accepted accounting principles in the United States]* and are, in my opinion, correct.

_____ _____

Company Name Signature of Authorized Official

_____ _____

Title Print Name of Official

_____

Date