

“Investing In Recycling”

Realizing Commercial Recycling’s Potential in Ann Arbor

WHY RECYCLING IS IMPORTANT TO OUR COMMUNITY

In Ann Arbor, residential recycling is easy, available to every home and apartment, and provided at no extra charge, to residents with residential diversion rates approaching 50%. At Ann Arbor’s city-owned and privately-operated Materials Recovery Facility (MRF), 120 tons of recyclables are processed each day from 25 different communities, providing the following environmental benefits **EVERY YEAR** - benefits that are one small step in reducing greenhouse gas emissions and global warming:

- 340,000 trees protected
- 84 million KWH of electricity conserved (enough to power 140,000 homes)
- 140 million gallons of water saved (the approximate capacity of 5,600 pools)
- 1.2 million pounds of air pollution prevented
- 90,000 cubic yards of landfill space saved
- \$375,000 saved in city landfill disposal fees

It costs the city about the same for recycling as it does to collect, transport and bury waste in a landfill (but without the negative environmental impact) and there are added benefits that make recycling the clear choice – the city gets additional revenue when the MRF sells the recyclables. So enthusiastic residential recyclers help not only the planet, but also the budget of their beloved “Tree Town.”

THE BUSINESS RECYCLING CHALLENGE

Recycling performance for Ann Arbor businesses -- which make up approximately 60% of the total Ann Arbor waste stream -- lags behind at a low 15%. The city is determined to help businesses recycle more. A key initiative in the city’s plan is the development of business recycling on a scale matching the progress made in residential recycling in recent years; therefore, **a goal of 50% diversion for business recycling** has been established. The city’s Solid Waste Plan identifies several new initiatives to achieve this goal:

- Increasing recycling collection services to small businesses, using curb carts
- Adding more recycling dumpsters to recover paper and cardboard
- Increasing the number of recycling curb carts for restaurants, bars and coffeehouses
- Expanding the pilot program for food waste composting
- Proposing a ban on cardboard in solid waste
- Increasing recycling at public recreational facilities, schools and institutions
- Investing in the MRF/Transfer Station and recycling collection upgrades
- Implementing recycling incentives for all businesses, whether serviced by the city or not
- Providing technical support to businesses for reducing waste and maximizing recycling
- Creating alliances with area governments to support regional commercial recycling

After adoption of the City’s Solid Waste Plan, City Council took immediate steps in a number of key areas to lay the groundwork for business recycling:

- Moved the solid waste millage to an “enterprise fund” (from the City General Fund), with the goal of insuring long-term viability and self-sufficiency of services -- this protects the city’s overall financial objectives
- Funded several enhancements and upgrades at the MRF specifically for business recycling along with construction of a new waste transfer station with a projected completion date in 2007
- Authorized the design of a new Drop-Off Station next to the MRF to enhance waste and material recovery capabilities for both residential and business sectors of the Ann Arbor-Ypsilanti area

IMPLEMENTING COMMERCIAL RECYCLING INCENTIVES

Early in 2006, at City Council's direction, Ann Arbor's Environmental Commission created a **Commercial Recycling Committee**, inviting broad local business representation from the Chamber of Commerce; the Downtown Development Authority (DDA); the hospitality, construction, and housing industries; and the City Council. Their assignment was to develop recommendations for an effective business recycling initiative that would achieve goals for 50+% diversion of commercial waste, and maximize use of those capital improvements already underway to the City MRF, Transfer Station and Compost Facility.

COMMERCIAL RECYCLING IS GOOD FOR BUSINESS

Many of the same economic benefits generated by residential recycling can become accessible to our businesses and our city. At the city's MRF, the sale of recyclables provides a financial incentive for the city to increase recycling - with \$20 to \$40 per ton revenue-sharing (depending on recycling markets) being returned to the city's solid waste enterprise fund for every ton recycled. The city also saves an additional \$25 for every ton of business waste diverted from the landfill. **This extra revenue can be used to help offset the costs of increased commercial recycling.**

In addition, the city's long-term landfill disposal contract provides an opportunity for all commercial waste generated in the city to be disposed at a cost that is lower than the general market rate that many city businesses are now paying. These savings can help offset costs for increasing the business recycling program, while still passing on additional savings to businesses that pay for their own waste removal. In short, **business recycling in Ann Arbor can pay for itself, and in some good market years, may even generate extra revenues to benefit the City and its residents.**

The **Commercial Recycling Committee** has developed several recommendations that build upon the current solid waste infrastructure and funding structure to implement commercial recycling:

- Provide a customer-oriented approach to recycling and resource management, encouraging education and outreach, and removing both real *and perceived* barriers to recycling – cooperating with the County's Waste Knot commercial waste reduction program to provide community recognition, ongoing education, and peer exchange (<http://recycle.eWashtenaw.org>).
- Provide commercial recycling services throughout the city. To maximize participation an Ordinance would set recycling standards building owners, managers and tenants to recycle either through the city program or through other means (e.g. businesses contracting for confidential document shredding).
- Franchise solid waste services for those businesses that already pay private contractors using waste hauler contracts designed to reduce costs and develop more "recycling friendly" waste collection services, improving overall service capacity while saving 10-30% on current trash costs.
- Implement recycling for construction and demolition projects (C&D) by adopting licensing requirements for haulers and C&D processing facilities that would set specific recycling standards.
- Provide vegetative food waste composting to larger commercial generators in the city (those generating 1-2 tons/month), offering this service for free in the DDA area and charging a fee outside the area.

Implementing and supporting these policies and programs will help to provide the basis for expanding the commercial recycling sector in Ann Arbor and give businesses an environmentally friendly feature to highlight. It's a win/win proposition.

Recycling saves energy, creates jobs, and conserves natural resources. Recycling benefits Ann Arbor, both environmentally and financially, and fosters a sense of community.

For more information on these Commercial Recycling Committee recommendations, please visit the City's weblink at www.recycle.com/AACommercial.html.