



**CITY OF HUNTINGTON BEACH
SUPPLEMENTAL COMMUNICATION**
Joan L. Flynn, City Clerk
Office of the City Clerk

TO: Honorable Mayor and City Councilmembers

FROM: Joan L. Flynn, City Clerk 

DATE: 6/15/2015

SUBJECT: SUPPLEMENTAL COMMUNICATION FOR THE JUNE 15, 2015, REGULAR CITY COUNCIL/PFA MEETING

Attached is the Supplemental Communications to the City Council (received after distribution of the Agenda Packet):

Study Session

PowerPoint communication dated June 15, 2015, entitled *Recycling Market Development Zone*.

Recycling Market Development Zone

June 15, 2015 – Study Session



What is a RMDZ

The Recycling Market Development Zone is an economic development program that utilizes the growing supply of recyclable materials to fuel new businesses, expand existing ones, create jobs, and divert waste.

Inclusion in a RMDZ fosters businesses that manufacture products using secondary materials or that seek to partner with other companies who may want to use their discards.



Steps to Become a RMDZ

- ♻️ Currently there are 36 RMDZs – None in Orange County
- ♻️ If approved, HB as the lead, along with other Orange County cities, will apply to the State for designation as a Zone. **No Cost to the City**
- ♻️ Once created, all eligible businesses within the City can receive RMDZ benefits and assistance.
- ♻️ A RMDZ is an Economic Development tool for a City as it provides attractive loans, technical assistance and free product marketing to businesses.

Economic Development

Stimulates the expansion of recycled content product manufactures and **attracts new businesses into the City.**

Decreases dependence on landfills – **which in turn decreases disposal costs!**

Adds jobs – recycling creates jobs through converting raw materials into products and RMDZ encourages expansion opportunities

Increases local revenues (new equipment purchases)

Provides for equipment investment by local businesses

Benefits to Businesses

- The RMDZ program is specifically designed for businesses and manufacturers that utilize products that normally would end up in a landfill.
- **Currently the City has 226 businesses that would qualify under the RMDZ loan program.**



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melmat inc.
Manufacturer and Distributors of Carrying Cases and Containers



Example of Existing HB Businesses That Would Qualify

HALO INDUSTRIES INC	ZACHARY P HALOPOFF	3590 A127146	15422 ASSEMBLY
HEFNER MOLD CO	GERALD E HEFNER	3590 A033594	15469 CHEMICAL
HONEMASTERS INC	HONEMASTERS INC	3590 A146084	15689 CHEMICAL
EVANS ALLOYS	ERIC B EVANS	3590 A134966	15701 GRAHAM
COAST FABRICATION INC	COAST FABRICATION INC	3590 A122666	16761 BURKE
R & D METAL FABRICATORS INC	R & D METAL FABRICATORS INC	3590 A266820	5250 RANCHO
MOUNTAIN MACHINING INC	MOUNTAIN MACHINING INC	3590 A103670	5332 SYSTEM
RIMA ENTERPRISES	HORST STEINHART	3590 A044226	5340 ARGOSY
BUDNIK WHEELS	ALAN BUDNIK	3590 A148128	5342 OCEANUS
CHIEF INDUSTRIES	J A PARRIS	3590 A050684	5362 COMMERCIAL
METRI-TECH ENGINEERING INC	HANS GRATZER PRES	3590 A048088	5411 OCEANUS
CENTRILIFT-BAKER HUGHES INC	CENTRLIFT-BAKER HUGHES INC - ATTN: A/P	3590 A035706	5421 ARGOSY
TILCO ENGINEERING INC	MARVIN GLEN COMBS JR	3590 A145078	5421 MC FADDEN B
PEXCO LLC	ALL WEST PLASTICS INC	3590 A050724	5451 ARGOSY
ODYSSEY ENGINEERING INC	TONY/TERESA LONGO	3590 A141790	5452 MCFADDEN
DESIGN PRODUCTS	DONALD S OLDENBURG	3590 A060676	5462 OCEANUS E
DIX METALS INC	DIX METALS INC	3599 A193824	14801 ABLE #101
HYPERFORMANCE PRODUCTS	HYPERFORMANCE PROD INC	3599 A182232	15131 TRITON 122
PERFECT POINT EDM CORPORATION	PERFECT POINT EDM CORPORATION	3599 A270474	15192 TRITON
JOHNSON MANUFACTURING INC	A RICHARD JOHNSON	3599 A164584	15201 CONNECTOR
HI-TECH PRODUCTION SVCS INC	DANIEL/CARLOS ARANDA	3599 A178440	15301 SPRINGDALE
BOEING CORPORATION	BOEING CORPORATION	3599 A228242	15400 GRAHAM 101
RODON PRODUCTS INC	RODON PRODUCTS INC	3599 A222840	15481 ELECTRONIC A
AERODYNAMIC ENGINEERING INC	BOB WADDELL	3599 A231018	15495 GRAHAM
G & M MACHINE SHOP	MICHAEL / SHEILA KULL	3599 A177380	15531 COMPUTER
P M T ENTERPRISES	P M T ENTERPRISES	3599 A172152	15558 GRAHAM
HYTRON MANUFACTURING CO INC	JAMES C REHLING-PRES	3599 A181404	15582 CHEMICAL
CRUNCH METALS COMPANY INC	CRUNCH METALS CO INC	3599 A191370	15645 COMMERCE
P C A AEROSTRUCTURES	P C A AEROSTRUCTURES	3599 A164556	17800 GOTHARD
TANK SPECIALTIES INC	D SMITH & R LAMB	3599 A236782	5151 OCEANUS 108
TOLEMAR INCORPORATED	TOLEMAR INCORPORATED	3599 A279942	5221 OCEANUS
CRAIG CURTIS MACHINING	CURTIS CRAIG	3599 A170266	5322 MC FADDEN
ULTRA TOOL INTERNATIONAL INC	ULTRA TOOL INT'L INC	3599 A226300	5372 MC FADDEN
A A E AEROSPACE	KEN CHRISTENSEN-PRES	3599 A237092	5386 ARGOSY
ULTRA TOOL INTERNATIONAL INC	DAVID J POVICH	3599 A184444	5451 MCFADDEN
BUENA PARK TOOL & ENGINEERING	LEO C GOMEZ	3599 A175632	7661 WINDFIELD
MACHINE REBUILD TOOLS CO	G VILLANO / F VILLANO	3599 A179792	7662 WOODWIND

Business Benefits

Low Interest Loans up to \$2 million

Attract New Businesses to the City

Technical Assistance - Finding new markets, permitting referral, evaluation of new technology and equipment, feedstock location services

Business-to-Business networking – circular economy

Free Product Marketing – “RecycleStore”

Business Recognition – City and County

RMDZ Supporters

- Huntington Beach Chamber of Commerce
- CleanTech OC
- Rainbow Disposal (Republic Services)
- Association of California Cities – Orange County
- County of Orange

Next Steps

- Finalize Zone Participants
- Finalize County support
- Prepare Application – Resolution approved by Council including an Exemption from CEQA (Council Approval)
- Application Period – Due to CalRecycle by October
- Education & Outreach - If approved, create quarterly business outreach meetings and networking opportunities

Questions?