
Establishing a Strong Commercial Recycling Program in Minneapolis



A Guide to Commercial Recycling Ordinances



February 2011

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February 2011

Acknowledgments

This report would not be possible without Adam Luesse, a student from the University of Minnesota – Twin Cities, who brought the issue to the attention of MPIRG. His creativity, passion, and hard work led to the creation of this report and MPIRG’s campaign to establish a strong business recycling ordinance in Minneapolis. This report honors Adam and MPIRG’s 40 year history of working with students to engage them in the public policy process and develop concrete solutions to social and environmental issues. It also is a continuation of work started in the late 80’s as a part of MPIRG’s BARTER program, and is a part of fulfilling the promise of that project to create more sustainable business practices.

The authors bear responsibility for any remaining factual errors. The views expressed in this report are those of the authors, and do not necessarily reflect the views of our funders or those who provided review.

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Introduction

Recycling has become an ubiquitous and universally accepted practice. Yet, despite broad public acceptance of this practice, businesses in Minnesota have yet to make the same commitment to reducing waste as citizens have. While it's true that many businesses voluntarily recycle, this practice is not universally adopted. This report seeks to change that by providing policy makers with clear examples and options for implementing a strong business recycling program. More specifically, this report is designed to assist policy makers in Minneapolis as they consider such a program.

The city of Minneapolis has a long tradition of being a leader in urban sustainability. Bike lanes, mass transit, and a strong residential recycling program are among the many initiatives Minneapolis has undertaken in order to become a more sustainable city. Unfortunately, this is not true when it comes to businesses recycling. Minneapolis lags behind many other cities because it hasn't established a strong business recycling requirement. Businesses generate a massive amount of recyclable waste that is being burned in our incinerators releasing harmful toxins into the air and thrown into our already overflowing landfills. We need to make sure that this waste is recycled and reused to reduce waste, pollution, energy usage, and greenhouse gas emissions.

How Would It Work in Minneapolis?

Most businesses recycle in one way or another. However, all workplaces need to be accountable to the same standard of recycling in order to level the playing field. MPIRG is proposing that the Commercial Building Inspections Program would enforce the recycling mandate through regular inspections. The costs associated with this program would not come from a general tax fund, but from the garbage and recycling fee already in place. Businesses would be required to contract with either private or city haulers to transport the recyclables. These recommendations are more fully discussed at the end of this guide.

Where Do Businesses Stand?

According to a recent survey conducted by the Minneapolis Chamber of Commerce, 48 percent of businesses support a recycling mandate and 18 percent of businesses are indifferent¹. This means that a plurality of businesses are comfortable with moving forward and implementing a strong business recycling program in Minneapolis. It is also worth noting that the cost for recycling services is nearly half that of garbage removal. As a result, businesses could actually see a decrease in their waste disposal bills when implementing this policy.

The Benefits of Business Recycling

Waste Reduction and Sustainability

A strong commercial recycling program reinforces the commitment to maintain a high standard of environmental responsibility that Minneapolis residents pride themselves on. Many cities have already implemented commercial recycling programs and have had great results. San Francisco, for example, cut the amount of waste sent to landfills by 75 percent in the first six months alone.

Job Creation

Implementing a strong commercial recycling program in Minneapolis will also help create jobs. An increase in recycling collection will positively affect jobs all the way from the people who sort the recycling to the haulers and the recycling facilities. According to an analysis by the state of Oregon, recycling creates six times as many jobs as landfilling waste². Though we recognize that Minneapolis incinerates a portion of the commercial waste, Oregon's analysis suggests similar benefits of job creation may be realized as a result of this shift.

Clean Air

Business recycling is necessary in order to maintain a healthier air quality in our city. Businesses are literally throwing away tons of recyclables, like plastic, that is being burned in incinerators thereby releasing toxins into the air that are harmful to our health.

Moving Forward

It's time for Minneapolis to join countless other American cities in establishing a strong business recycling program. The following sections give an overview of the major U.S. cities with business recycling programs and the various policy approaches they have taken to implement these programs. The following cities have been included in this guide: Washington, D.C., Portland, OR, San Francisco, CA, Honolulu, HI, Miami, FL, New York City, NY, Seattle, WA, Pittsburg, PA, and San Diego, CA. Policy makers in Minneapolis have wide variety of options to consider.

Businesses Recycling Cities

For comparison purposes, Minneapolis has a population of 390,131.

Washington, D.C.³ (pop. 591,833)

Mandate: Yes (1988)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- All commercial establishments must submit an official Recycling Plan twice a year.
- Along with the plan, they must pass inspection.
- D.C. lays out steps to accomplish the recycling program: 1. Selecting a Recycling Coordinator, 2. Organize the Recycling Program, 3. Arrange for Collection Service, 4. Inform/Educate Employees and Customers, etc.
- The city provides a detailed Commercial Recycling Guide and Recycling Plan application on a website.
- Measurement and inspection at pickup. Haulers must report tonnage/amounts.
- Multi-sort recycling capacity.
- Lack of support staff and employees makes administration difficult.

What Products: Paper products, aluminum/steel/tin cans, glass bottles, plastic containers (optional).

Enforcement: Violations of the District's recycling laws are subject to tickets and fines ranging from \$25 to \$1000. Multiple investigators do up to 30 inspections a week each, checking for compliance with mandatory recycling. They say businesses are well motivated to comply because of the investigators and fines. Most of their fines are in the mid to larger range, and are consistently followed by compliance.

Portland^{4,5} (pop. 557,706)

Mandate: Yes (1996)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- Portland lays out 5 steps to help businesses achieve a recycling program: 1. Identify champion/coordinator, 2. Recycle all paper, bottles, and cans. 3. Organize to Make Recycling Easy, 4. Train your team, 5. Throw away less.
- All commercial establishments (businesses, nonprofit organizations and schools) located within Portland city limits must complete a Progress Report annually.
- Following implementation and completion of the Progress Report, businesses can receive a Recycle at Work Certified recognition seal from the city to display at their business and on their website.
- All commercial garbage and recycling companies in Portland offer recycling collection for paper, cardboard, plastic containers, metal and glass.
- Portland uses at least a two sort method (separate glass out from paper, cardboard, plastic and metal) or a three sort (paper and cardboard, plastic and metal, and glass).
- Portland funds the commercial recycling program primarily using a fee collected from garbage and recycling companies based on the amount of garbage they collect from Portland business customers. This fee revenue totaled about \$1,250,000 in 2005-06. The City uses these funds to:
 - Purchase recycling containers which garbage and recycling companies then must provide to their customers at no cost;
 - Provide garbage and recycling companies with printed educational materials for their customers;
 - Provide personal assistance and printed information to interested businesses;
 - Hire enforcement staff;
 - Measure program results.
- During the first year of the mandate, 1996, staff calculated that the commercial sector recycled about 46 percent of its garbage. By 1998 the percentage had risen to 52 percent, and it stayed between 52 percent and 55 percent from 1999 through 2003. In mid-2005, program analysis revealed that Portland's commercial recycling rate for 2004 was just fewer than 53 percent. Portland has now designed a plan to increase their recycling rate and reach their goal of 75 percent in the commercial sector.

What Products: Multitude of recyclables, Portland recycles even more than the usual suite of plastics, paper, and metal.

Enforcement: Portland has an enforcement staff that works with businesses and identifies those who are not complying. The financial penalty for noncompliance is set at a maximum of \$500 per incident, increasing for each subsequent incident. However, since the City's intent is to encourage compliance, not to raise money, city regulations provide for an "assistance period" of 30 days, instead of allowing for an immediate penalty for noncompliance.

See the end notes for more on Oregon's analysis of the environmental and economic benefits of recycling⁶.

San Francisco⁷ (pop. 808,976)

Mandate: Yes

Publicly funded/operated: Privately conducted and contracted.

Program Structure:

- San Francisco requires residents and commercial building owners to recycle their wastes into color coded bins which are blue (recycling), green (compost) and black (garbage/trash/landfill).
- San Francisco has two city authorized and sponsored collection companies that serve different areas of the city: Golden Gate Disposal & Recycling, Sunset Scavenger.
- They provide services based upon the City's direction and orders.
- Businesses are charged for each bin equally, but get a discount of up to 75 percent of the bill, depending on the proportion of their trash that does not go to the garbage. It's a rebate program and the city implemented a commercial rate structure on July 1, 2006 that provides for discounts based upon your business's diversion rate.
- This creates a huge monetary incentive for business owners to recycle. There are many opportunities and options to receive a rebate based on a business' circumstances. The City's website provides details, calculators and resources to make it easy for businesses to access and participate in the rebate program.
- Their program is by far considered to be the best in the nation.

What Products: Paper products, aluminum/steel/tin cans, glass bottles, plastic containers

Enforcement: The law imposes fines on offenders. However, the City emphasizes that they don't want to fine people and businesses. Warnings through notices and phone calls will be acted upon for violators and fines will only be imposed to recurring and blatant offenders. Fines for almost all residential customers and many small businesses - anyone who generates less than a cubic yard of refuse a week - are initially capped at \$100. Businesses that don't have proper bins face escalating fines up to \$500.

Facts:

- A comprehensive study found that about 36 percent of what San Francisco sends to landfills is compostable, and another 31 percent is recyclable. The city estimates that it currently diverts 72 percent of its waste away from landfills – the best in the nation. If recyclables and compostable materials going into landfills were diverted, the city's recycling rate would jump to 90 percent⁸.
- A June 2008 report by the Institute for Local Self-Reliance, a group focused on environmentally sound community development, said a zero waste approach is one of the fastest, cheapest and most effective ways to protect the climate. Cutting waste sent to landfills and incinerators would be like closing 21 percent of U.S. coal-fired power plants⁹.
- Great success and booming business just months after it passed¹⁰.

Honolulu¹¹ (pop. 371,657)

Mandate: Yes (As early as 1990 in some establishments. Last new ordinance in 1997)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- Honolulu conducts its requirements in several ways. First, there are multiple ordinances that apply to many of its businesses, often specifically for targeted materials. Second, they have bans and restrictions on recyclable materials entering the waste establishments (such as cardboard, which affects most businesses). Refuse haulers are responsible for recycling/disposal compliance. The businesses that generate the waste also need to insure that their refuse is within allowable disposal limits.
- The type of recycling required depends on the business. Office buildings must recycle office paper, bars and restaurants must recycle glass, etc., and the city annually inspects a business for compliance.
- Honolulu also lays out a six step process to establish a recycling system. Like most of the other cities, they emphasize the need for and start with the appointment of a recycling coordinator.
- Businesses can petition for an exception if their cost of collecting and recycling is higher than the cost of collecting and disposing trash, which is considered on a case-by-case basis.

What Products: Glass products for bars and restaurants, paper recycling for office buildings

Enforcement: Mandatory recycling affecting specific types of businesses (e.g., glass recycling for bars and restaurants, paper recycling for office buildings, food waste recycling for hotels, grocery stores, food manufacturers/processors, food courts and hospitals) is enforced at the point of generation. The city conducts annual site inspections of businesses that are required to recycle. If a business is not in compliance with the city's mandatory recycling ordinances, a Recycling Specialist will work with management to set up a recycling program or improve/correct a failing system. Disposal bans and restrictions are enforced at the city's disposal sites.

Miami¹² (pop. 362,470)

Mandate: Yes (1992)

Publicly funded/operated: Private contracts and operation

Program Structure:

- Business owners in Miami-Dade County must provide a recycling program for their employees and tenants, using the services of a permitted hauler or private recycling hauler.
- Miami makes note and encourages that recycling makes business sense because evaluating a company's waste stream and production can reveal organizational inefficiencies as well as improve the business' image.
- Miami lays out steps to comply with mandatory recycling: 1. Establish recycling program, 2. Arrange to have your recyclables picked up, and 3. Design your recycling program to fit your needs.
- The city advises businesses to use their current waste hauler because most provide recycling service. If businesses choose their existing waste hauler, the city recommends they check to see if they can reduce their level of waste service (either the size of their current waste container or frequency of pick-up) to help offset the cost of implementing a recycling program. If not, businesses are encouraged to "shop around" and contact private recycling haulers.
- Miami differentiates between business recycling and multi-family residences/condominiums.
- The city emphasizes designating/appointing an enthusiastic person as recycling coordinator.
- Offer Modified Recycling Program application for unique situations (small amounts, self haulers).

What Products: Business' programs must include at least three of the following: glass, aluminum, plastics, textiles, steel, cardboard, mixed paper products, high grade office paper, etc.

Enforcement: The county provides technical assistance to help a business comply with the county's recycling law. Businesses that don't comply could be fined. Fines range from \$300 to \$950 based on the square footage of the commercial establishment and can be assessed daily until compliance is met. Rather than penalize businesses that do not conform to the law, Miami-Dade County prefers to assist those uncertain about how to comply by providing specific information and suggestions on how to get started. However, the county does randomly notify, and if necessary, inspect commercial establishments reported to be out of compliance by haulers and concerned citizens.

From their website:

"Did you know that commercial establishments in Miami-Dade County produce an estimated 1.7 million tons of waste each year? That's more than half of our community's solid waste, and much of it is recyclable. Managing this waste stream through recycling and waste reduction is good for South Florida's environment, but it also makes good business sense. Evaluating how your company is producing waste can uncover organizational inefficiencies -- some of which may be costly. Further, an environmentally responsive approach to managing solid waste can enhance your company's image¹³."

New York City¹⁴ (pop. 8,391,881)

Mandate: Yes (1992, Last updated and expanded 2010)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- According to the New York City (NYC) Commercial Recycling Law¹⁵, all businesses are required to source separate their recycling, which means no mixing of trash and recyclables and "sorting it out afterwards" (sometimes referred to as post-collection separation of recyclables).
- The type of recycling required depends on the businesses' category. Office buildings must recycle office paper, bars and restaurants must recycle glass, etc.
- Businesses must enter into a written agreement with a carter or recycler for the recycling, reuse, or sale of designated recyclable materials. A copy of this agreement must be provided to the New York Department of Sanitation (DSNY) upon request.

- Businesses must also notify tenants, occupants, and/or employees in writing about what and how to recycle. A copy of such notification must be provided to DSNY upon request.
- Within the businesses there must be recycling containers available in public areas where designated recyclables are normally generated. Signs must be up in areas where trash is collected and/or stored about what to recycle and collection procedures.
- The Department of Sanitation may conduct inspections whenever they so choose.

What Products: Glass products as well as cardboard and metal products must be recycled for bars and restaurants. Paper, cardboard and bulk metal must be for other businesses.

Enforcement: Any business that violates New York City's Commercial Recycling Law will be fined. These fines begin at \$25 and for consistent violators can be as much as \$500. Also, operators of solid waste that bring designated recyclable materials for disposal to any DSNY facility are fined upward of \$2,500.

Seattle¹⁶ (pop. 617,334)

Mandate: Yes (2005)

Publicly funded/operated: Privately and publicly conducted and contracted

Program Structure:

- Businesses are prohibited from disposing of significant amounts of paper, cardboard and yard debris in the garbage as of January 1, 2005.
- Seattle businesses with a commercial garbage account are eligible for free cart recycling service. The service is limited to two recycling carts, collected every other week. Seattle businesses can also request recycling service from any private recycling company. Many recycling companies will pay customers for recyclable materials.
- This does not apply to commercial or multifamily customers without adequate space for recycling as determined by Seattle Public Utilities (SPU) inspection as well as garbage dumpsters that receive waste from the public.

What Products: Paper and cardboard

Enforcement: City inspectors will mail up to two warning notices before a \$25 fine is imposed.

Pittsburg¹⁷ (pop. 312,819)

Mandate: Yes (1988)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- The operator of every business establishment located within the City of Pittsburgh must establish a program to recycle high grade office paper, plastic bottles, corrugated cardboard, aluminum cans and leaf waste, where applicable.
- Establishments are also encouraged to recycle old newspaper and mixed paper. Establishments must provide a collection system within their business or operation and can haul the recyclables directly to a processor or may contract a private hauler to collect the recyclables.
- Apartments and multi-family dwellings with six or more units are considered commercial establishments. If they require city service, they can place co-mingled material (bottles and cans) and newspaper at the curb for service on collection day. The city may provide roll-out carts for multi-family recycling. However, building managers must obtain and complete a cart distribution and service agreement form from the Recycling Division.
- All recycling tonnages must be reported to the City's Recycling Division on a quarterly or yearly basis. If a private hauler is used then the hauler can provide the tonnage report to the City on behalf of their clients.

What Products: Paper products, aluminum/steel/tin cans, glass bottles, plastic containers

Enforcement: Random inspections take place, and often businesses report on one another. When this occurs inspectors ask for hauler reports, which have information about how much is being recycled. Fines are given at the judgment of the inspectors.

San Diego¹⁸ (pop. 3,001,072)

Mandate: Yes (2007)

Publicly funded/operated: Privately conducted and contracted

Program Structure:

- All property managers and owners within San Diego must establish a recycling program and recycle plastic and glass bottles and jars, paper, newspaper, metal containers, and cardboard with a private hauler.
- Property managers and owners must annually educate the employees/tenants about what types of materials must be recycled, as well as what is required by the city ordinance.

- Businesses are encouraged to apply for San Diego's Annual Business Recycling Award, which proves that the business has gone above and beyond the minimum required by ordinance.

What Products: Plastic and glass bottles and jars, paper, newspaper, metal containers, and cardboard

Enforcement: Code Enforcement Officers conduct inspections mostly on complaints to the city. After the first violation, an Enforcement Officer will continue random inspections. After the third violation, there is an \$88 fee charged for each subsequent inspection. At the fourth inspection, a \$100 fine will be issued, and the fines will grow with each subsequent failed inspection. Once a \$1,000 threshold has been reached, the case is referred to the City Attorney's Office. For haulers who dispose of recyclables with garbage there are inspections based on complaints, site visits, and landfill inspections. There is no fine for the first offense, and the second and third offenses each are \$1,000 citations. After the fourth offense, the case is referred to the City Attorney.

Recommendations

As demonstrated by this guide, Minneapolis has a number of options in pursuing business recycling. Many of the recycling programs included here are well established and have been proven effective. Establishing business recycling programs have numerous benefits: job creation, cost savings, and making Minneapolis a more sustainable city. Additionally, a plurality of businesses (66 percent) in Minneapolis are comfortable with the city pursuing this policy. Taken together, there are very few compelling reasons *not* to move forward in implementing a strong business recycling program. The details of which specific policy approach to pursue are less important than moving forward with some form of mandatory business recycling. Even so, there are four recommendations the authors of this guide would like to make based on experiences in other cities as well as initial conversations with policy makers in Minneapolis:

1. **Require businesses to enter into contracts with haulers to transport recyclables.** This approach is preferred to having the city set up and run its own commercial recycling hauling program. It avoids the city incurring additional costs in tough economic times and forces businesses to internalize the costs of recycling.
2. **Require that business recycling programs pre-sort recyclable materials.** Single stream recycling collection often results in contamination of recyclable products, thereby increasing costs to recycling facilities. Pre-sorting reduces the risk of contamination thereby maximizing the economic value of recyclable materials¹⁹.
3. **Establish compliance mechanisms through the existing Commercial Building Inspections Program and through citizen reporting.** This would be accomplished by including a new criteria for passing the current program for building inspections: demonstrating the buildings recycling efforts. With respect to citizen reporting, 311 could be used to intake any reports of failure to comply. The city could issue a communication requesting compliance.
4. **Establish additional compliance measures and monitoring.** Though the previous recommendation is a good start towards full compliance, it would also be desirable for the city to monitor a business's recycling through requiring that they submit the name of hauler with whom they have contracted to an appropriate city official. That city official would then request regular reports from that hauler on tonnage removed from businesses. Other cities have used a similar mechanism of monitoring and compliance. This would likely fall under the auspices of the Division of Solid Waste and Recycling. By doing so, Minneapolis could more fully evaluate shifts in recycling rates and reductions in waste that would be invaluable in assessing the merits of the program.

We can continue to improve our research and knowledge of these city's programs and their success, as well as look into the many other cities recycling commercially. Please let us know if we can improve this guide for future editions.

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Endnotes

¹ Statistics accurate as of the December 2010.

² http://library.oregonmetro.gov/files/eco_sheet_economy.pdf.

³ <http://recycle.dpw.dc.gov/recycle/cwp/view.a,1374,q,617683,recycleNav,|33750|.asp>.

⁴ <http://www.portlandonline.com/bps/index.cfm?c=43052>.

⁵ <http://www.portlandonline.com/bps/index.cfm?c=41472>.

⁶ <http://www.oregonmetro.gov/index.cfm/go/by.web/id=25473>.

⁷ <http://www.sfrecycling.com/commercial/index.php?t=b>.

⁸ Platt, Brenda, David Ciplet, Kate M. Bailey, and Eric Lombardi. Stop Trashing The Climate. Institute for Local Self-Reliance, et al. June 2008. http://www.stoptrashingthecolimate.org/fullreport_stoptrashingthecolimate.pdf.

⁹ Ibid.

¹⁰ <http://greeninc.blogs.nytimes.com/2009/10/21/a-new-law-and-a-booming-business-for-recycling-in-san-francisco/>.

¹¹ http://www.opala.org/solid_waste/archive/Mandatory_Recycling_Laws.html.

¹² http://www.miamidade.gov/dswm/business_recycling.asp.

¹³ http://www.miamidade.gov/dswm/business_recycling.asp.

¹⁴ <http://www.nyc.gov/html/nycwasteless/html/recycling/businesses.shtml>.

¹⁵ http://www.nyc.gov/html/nycwasteless/html/laws/local_commrecycling.shtml#amendments.

¹⁶ http://www.seattle.gov/util/Services/Recycling/Recycle_at_Your_Business/COMMERCIAL_200312020811284.asp.

¹⁷ http://www.city.pittsburgh.pa.us/pw/html/commercial_recycling.html.

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¹⁹ Morawski, Clarissa. Understanding the economic and environmental impacts of single-stream collection. Container Recycling Institute. December 2009. <http://www.container-recycling.org/assets/pdfs/reports/2009-SingleStream.pdf>

