BUSINESS FOOD WASTE MITIGATION GRANT PROGRAM

PROGRAM GUIDELINES 2026

NEW YORK STATE OF OPPORTUNITY.

Empire State Development

The Business Food Waste Mitigation Grant Program (the "Program") is a $2 million initiative administered by the New York State Department of Economic Development d/b/a Empire State Development ("ESD") designed to reduce business-generated food waste sent to landfills and combustion facilities through investments in food recycling infrastructure in the State. Capital equipment grants ("Program Assistance") are available for municipalities or not-for-profit organizations ("Eligible Entities"). Eligible Entities may also apply for Program Assistance on behalf of a New York State business ("Co-implementor"). Program Assistance will be awarded on a competitive basis and will not exceed 50% of the total project cost, with a minimum award of $50,000 and a maximum award of $750,000. Successful business food waste mitigation projects ("Projects") are those that will expand food waste recycling infrastructure in the State to reduce commercially generated food waste sent to landfill and combustion facilities, ultimately reducing related greenhouse gas emissions. Projects may include building or expanding existing organics recycling facilities to accept food waste from businesses and expanding fleet services to collect commercial food waste destined for recycling.

I. Program Assistance

Eligible Entities may receive a grant reimbursing up to 50% of the costs of the approved Project, with a minimum award amount of $50,000 and a maximum award of $750,000. Awards of Program Assistance are not transferable.

II. Program Eligibility

A. *Eligible Entities*

1. Must be a New York entity making a capital investment that will expand food waste recycling infrastructure in NYS by accepting food waste from large-scale operations including, at a minimum, businesses such as restaurants, supermarkets, malls, casinos & racetracks, sporting venues, hotels, wholesale and distribution centers, and others. Eligible Entities include:

   (i) Municipalities – a local public authority, public benefit corporation, a county, city, town, village, or Indian tribe residing in New York State or any combination thereof applying to undertake a Project themselves **OR** on behalf of a Co-Implementor*;

   OR

   (ii) Non-Profit/Not-For-Profit organizations – organization established under Sections 501(c), 501(e), 501(f), 501(k), 501(n) or 521(a) of the Federal Tax Code that is not involved in religious or political activities. Non-profit/Not-For-Profit organizations can apply to undertake a Project themselves **OR** on behalf of a Co-Implementor*.

   *Co-Implementor: a NYS business that implements a Project. The Co-Implementor contracts with an Eligible Entity to use the Program Assistance to achieve project results. Program assistance awards are paid on a reimbursement basis to the Eligible Entity upon verification that the Co-Implementor achieved contractual project outcomes.

   In instances where there is a Co-implementor, all project expenditures are initially paid by the Co-Implementor. The Co-Implementor submits financial and reporting documents to the Eligible Entity, who submits the documents to ESD as a disbursement request. ESD reimburses up to 50% of the eligible project costs to the Eligible Entity,

who then disburses the ESD funds to the Co-Implementor. Refer to section III(C) Awards for more information regarding Program Assistance payments.

The Eligible Entity must own program-supported assets for the useful life of that asset, on behalf of the private sector Co-Implementor. At the end of the useful life the asset is transferred to the Co-Implementor. The useful life of each funded asset must be mutually agreed upon prior to contract execution. The useful life may be determined by its accounting life for purposes of depreciation; the original equipment manufacturer; or an alternative method mutually agreed upon.

2. All Eligible Entities must:
   (i) Currently own or lease the Project site and, if leased, possess the necessary rights or permissions from the owner that enables the Eligible Entity to make relevant capital repairs and improvements; **and**
   (ii) Be current on its tax obligations; **and**
   (iii) Only utilize co-Implementors who have a Federal Employer Identification Number (EIN) and have been in businesses in the State for at least three years at the time of application.

B. *Eligible Projects and Costs*

1. All reimbursable project costs must be directly related to achieving the goal of the approved Project and may include, for example:

   - Machinery and equipment directly related to the project, including associated engineering, shipping, and professional installation costs. Eligible capital equipment is that purchased for the purpose of collecting, processing, and recycling food waste from businesses, and the distribution of end product(s) such as compost. For this program, any capital equipment must cost at least $10,000.

     Examples of eligible equipment include but need not be limited to: processing equipment (e.g. compactor, dehydrator, depackager, windrow turner, grinder, in-vessel composting system), management equipment (e.g. forklift, loader), transportation equipment (e.g. trucks for food waste collection and compost distribution). The cost of installation is eligible for reimbursement and may be included in the total equipment cost, provided it is installed by the equipment vendor or another professional equipment installer.

   - Improvements to real property when the costs are integral to the project outcomes. Improvements, alterations, or repairs to real property may include site preparation; demolition; installation or relocation of utilities; construction materials and labor.

ESD will determine a project's eligible costs in its sole discretion and may exclude costs as ineligible based on factors that may include, but need not be limited to: insufficient documentation, non-capital expenses, or costs incurred outside of the contract term.

C. *Ineligible Projects, Costs and Activities*

The following projects, costs, and activities are **not** eligible for Program Assistance:

- Consultant fees for services such as preparing an application, writing reports, measuring results or performing R&D
- Technologies, practices and equipment solely intended to achieve compliance with any NYS or local environmental conservation laws or regulations
- In-kind costs
- Permit fees
- Costs incurred prior to award
- Energy production, recovery, conservation and efficiency
- Municipal waste treatment projects, such as water or sewage treatment facilities
- Equipment warranties
- Lobbying, religious, or political activities

III. Application, Review & Award

A. *Application*

One complete application must be submitted through the NYS Consolidated Funding Application (CFA) by Friday, October 9, 2026 no later than 4pm. Additional documentation may be requested by ESD.

If you have questions, email FoodWasteMitigation@esd.ny.gov. Procurement policies prohibit direct email responses, however, your question and respective answer will be included in our Frequently Asked Questions (FAQs) on our Business Food Waste Mitigation Program webpage (https://esd.ny.gov/business-food-waste-mitigation-grant-program) and updated weekly as needed.

B. *Review*

Projects must clearly define measurable food waste reduction results which are reported as project outcomes. Project outcomes must be quantifiable and measured as improvements over baseline operations. Environmental outcomes are measured as pounds or tons of food waste diverted from landfill and combustion facilities, and the associated greenhouse gas emissions avoided.

Program assistance will be awarded on a competitive basis. Applications will be scored competitively and in accordance with the priorities / selection criteria listed below:

PRIORITIES

- Projects which expand infrastructure in the State supporting food waste recycling from businesses in a geographic area where no or limited commercial food waste recycling exists
- Projects which divert the most food waste from landfill and combustion facilities resulting in greenhouse gas emissions being avoided.
- Projects which have a clear plan for accepting/collecting commercial food waste and distributing end products such as compost.

SELECTION CRITERIA
Applications will be scored using the following criteria (with a maximum score of 100 points):

Feasibility of the project: (maximum of 30 points)

- Application clearly defines scope of project and implementation timeframe – including a set of clear and discrete tasks that show a logical approach for project completion.
- Application describes the plan for food waste collection, equipment sizing considerations based on potential food waste sources, and byproduct distribution.
- Application demonstrates sufficient experience and ability of the project lead to successfully carry out the project.
- Application demonstrates the ability to continue the project after the contract period, including a financial plan for operation and maintenance costs.

Budget: (maximum of 30 points)

- Proposed budget includes adequate detail for all project components, is cost-effective, presents necessary and realistic costs, and does not contain extraneous or ineligible expenses.
- Budget narrative describes and documents how the budget and costs were determined.
- Application describes source(s) of eligible local match (including amount and type) and demonstrates match sources have been secured.

Waste Mitigation Benefit: (maximum of 40 points)

- Application clearly documents the baseline amount of food waste processed before project implementation.
- Application clearly describes proposed food waste diversion goals and how the project will achieve these goals.
- For stationary projects, the application identifies potential business food waste clients within a 50-mile radius of the facility, any other food waste recycling entities in the radius, and describes the plan for outreach to secure new clients.
- For fleet projects, the application identifies the size of the service region, potential business food waste clients, the intended destination recycling facility, and describes the plan for outreach to secure new clients

C. *Awards*

Eligible Entities selected for Program Assistance will receive an award letter from ESD indicating that, subject to completion of the Project, and any additional terms and conditions (as identified in the accompanying Terms and Conditions of ESD Awards document), including entering contract with NYS, the Eligible Entity may expect to receive Program Assistance. While this is a reimbursement program, payments can be made incrementally as the project progress and costs are incurred. ESD staff will work with applicants/co-implementors to finalize project milestone schedules and project outcomes. Project milestones and outcomes become the performance standards for contractual fund disbursements. The contract will outline a disbursement schedule for the Eligible Entity and will include a maximum of two disbursements per calendar year, or a total of four disbursements for the two-year contract term. At no point in time will ESD's payment to the Eligible Entity be more than 50% of the total eligible costs incurred. Fifteen percent of the award will be withheld until the completion of the project, submitting all

reporting requirements, and approval by ESD. Projects that do not achieve the proposed project outcomes may be subject to a pro-rated reimbursement, based upon the percentage of the achievements.