



**DATE:** December 15, 2021

**TO:** Waste Management Authority Board

**FROM:** Karen Kho, Principal Program Manager  
Miya Kitahara, Program Manager

**SUBJECT:** Consider Need for Immediate Action and, if Approved, Consider Acceptance of U.S. Economic Development Agency Grant to Advance Construction Sector Innovation in the Bay Area

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#### **SUMMARY**

On December 13, after the agenda for this meeting was posted, the U.S. Economic Development Agency (EDA) announced that StopWaste is one of only 60 organizations nationwide selected as a Phase 1 finalist in the “Build Back Better Regional Challenge.” As a finalist, StopWaste will receive a \$500,000 grant to support a full Phase 2 submittal that is due on March 15, 2022.

Completing the work needed to coordinate with Agency partners and develop a competitive Phase 2 grant application by the deadline requires that the Board take action at its December 15 meeting to authorize acceptance of the grant funds and authorize the Executive Director to enter into associated contracts with U.S. EDA and project partners.

The Brown Act allows the Board to add items to the agenda if two-thirds of the Board determines “that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.” (Government Code 54954.2(b)(2).) Staff believes this determination can be made because of the quickly approaching Phase 2 grant deadline and the fact that the Agency was only notified of the decision on Monday, December 13, after the agenda for this meeting had been posted and after the 72-hour deadline for posting the agenda.

The Board should first hear any public comment on adding this item to the agenda and then discuss and determine whether it believes there is a need for immediate action. If the Board makes that determination by at least a two-thirds vote then the Board may consider acceptance of the U.S. EDA grant.

Staff recommends that the WMA Board authorize acceptance of the U.S. EDA grant and authorize the Executive Director to enter into all necessary contract agreements with U.S. EDA and project partners, and make corresponding changes to the FY 21/22 budget. The coalition of cross-sector

project partners includes Lawrence Berkeley National Laboratory, UC Berkeley, East Bay Economic Development Alliance, San Francisco Department of the Environment, Build It Green, and Rocky Mountain Institute.

## **DISCUSSION**

The “Build Back Better Regional Challenge” is one important component of the federal American Rescue Plan. The Challenge seeks to boost economic pandemic recovery by supporting community-led efforts to develop and strengthen regional industry clusters. A total of 529 applicants nationwide applied for Phase 1 grants of up to \$500,000. Awardees of this initial technical assistance award are invited to apply for much larger Phase 2 grants, which are transformative investments of \$25-\$100 million. StopWaste is one of 60 Phase 1 finalists nationally, one of four in the state of California, and the only Northern California awardee.

StopWaste and our partners are being awarded \$500,000 to support a construction innovation cluster within Alameda County and the Bay Area that will build regional economic resilience, help alleviate the housing crisis and reduce greenhouse gas emissions. Throughout the nation, contractor firms are experiencing worker shortages, supply chain disruptions and rising material costs, but the problems are particularly acute in the Bay Area. The coalition has identified innovations in building materials and construction methods that will advance circular economic solutions to stimulate local investment and job creation. For example, we can derive economic value from regional agricultural and forestry byproducts while reducing our dependence on global supply chains. The proposal concept builds on our collaboration with East Bay EDA on their *East Bay Forward* vision, including harnessing the Bay Area’s position as a CleanTech hub and furthering the potential for onshoring manufacturing.

Our coalition proposed a suite of five synergistic projects to develop robust regional supply chains and scale prefab construction methods to modernize and reduce the cost of new construction. New innovations will be supported through the start-up phase with technology development and testing (Project 1) and brought to market through business incubation (Project 2) and infrastructure investments (Project 4). We will prepare the industry to adopt these innovations through education (Project 3), and pilot projects and aligned policymaking (Project 5).

The Phase 1 planning grant is focused on developing a full Phase 2 submittal and supporting the construction innovation cluster. As the lead institution, StopWaste is required to hire a Regional Economic Competitiveness Officer (RECO), and the salary for this position will be funded by the grant for a full year. The RECO will play a coordination role across projects and coalition members, as well as convening stakeholders and advancing the construction innovation cluster beyond the submittal of the Phase 2 application. Of the \$500,000 Phase 1 award, \$245,000 is allocated to StopWaste to support the RECO and the Agency’s role in promoting the construction innovation cluster, engaging stakeholders, identifying pilot projects, and grant management. The remainder of the technical assistance award will be distributed to coalition partners, proportional to the tasks needed to fully scope out each of the five projects for the Phase 2 application. StopWaste will provide match funding to cover staff benefits and overhead, because this work will support our

existing efforts to establish a Recycling Market Development Zone (RMDZ) in Alameda County. See Attachment B for a summary of the Phase 1 scope of work.

**RECOMMENDATION**

That the WMA Board add the consideration of this grant acceptance to the agenda for the December 15, 2021 meeting.

That the WMA Board adopt the attached Resolution authorizing the Executive Director to enter into all necessary contract agreements with EDA and project partners and make corresponding changes to the FY 21/22 budget.

Attachments:

Attachment A: Resolution #WMA 2021-

Attachment B: Proposed Scope of Work

**Attachment A**

**ALAMEDA COUNTY WASTE MANAGEMENT AUTHORITY  
RESOLUTION #WMA 2021 -**

**AT THE MEETING HELD DECEMBER 15, 2021**

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO  
AN AGREEMENT TO ADVANCE CONSTRUCTION SECTOR INNOVATION  
AND OTHER RELATED ACTIONS**

**WHEREAS**, the WMA Board adopted guiding principles that prioritize forming new and strengthening existing partnerships that expand our multiple benefits approach to include the social and economic health of our communities as well as reorienting the Agency's work where needed to respond to and rebuild from the impacts of COVID-19 and climate change;

**WHEREAS**, the construction sector is experiencing worker shortages, supply chain disruptions and rising material costs that are exacerbated by COVID-19 and climate change; and

**WHEREAS**, WMA staff formed a coalition to stimulate innovation in the construction industry in ways that build regional economic resilience, alleviate the housing crisis and reduce greenhouse gas emissions; and

**WHEREAS**, advancing a circular economy in the greater Bay Area will enable us to derive economic value from wasted materials and reduce dependency on global supply chains; and

**WHEREAS**, WMA staff submitted a concept proposal for the Build Back Better Regional Challenge entitled "Transforming the Bay Area Construction Sector: Affordability, Sustainability and Circularity"; and

**WHEREAS**, the U.S. Economic Development Agency intends to award the WMA a Phase 1 planning grant of \$500,000 for the scope of work outlined in Attachment B;

**NOW THEREFORE, BE IT RESOLVED**, that the Waste Management Authority hereby authorizes the Executive Director to:

1. Enter into all necessary contracts and agreements with EDA in order to accept funds of up to \$500,000 and make any necessary changes to the FY 2021-22 budget to add Project 1352: Construction Innovation Cluster.
2. Approve any required time extensions, modifications, or amendments thereto.
3. Allocate the necessary resources to implement and carry out the amended scope of work.

**BE IT FURTHER RESOLVED** that the Executive Director as the Board President's designee, is hereby authorized to execute on behalf of the Alameda County Waste Management Authority all grant-related documents, including, but not limited to, applications, payment requests, agreements (including the hiring of temporary staff), and amendments necessary to secure grant funds and to implement the approved grant project.

**ADOPTED BY THE FOLLOWING VOTE:**

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

I certify that under the penalty of perjury that the foregoing is a full, true and correct copy of Resolution #WMA 2021 –

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**Arliss Dunn**  
**Clerk of the Board**

## Attachment B

### Phase 1 Planning Grant Scope of Work

<b>Project</b>	<b>Description</b>	<b>Lead</b>	<b>Budget</b>
Project 1. Research & Development	<i>Creation of testbed/innovation center</i> - Identify pre-competitive innovations, including waste to feedstock prototypes and low-carbon concrete - Scoping of a construction sector focused testbed/innovation center, including site identification	LBNL and UC Berkeley	\$85,000
Project 2. Entrepreneurship	<i>Develop incubator program for construction sector</i> - Engage partners in prefab industry - Conduct feasibility study for incubator - Develop financing models for Phase 2 proposal - Complete market survey of modular construction business models	UC Berkeley	\$95,000
Project 3. Workforce Development	<i>Create workforce development strategy</i> - Engagement with employers, unions and community partners, and product manufacturers - Identify technical assistance resources and partners for higher education hub	Build It Green	\$40,000
Project 4. Infrastructure	<i>Planning for Secondary Materials Marketplace</i> - Conduct site planning, permit review and lease negotiation for San Francisco - Review potential sites in Alameda County RMDZ	SF Environment	\$95,000
Project 5. Market Development	<i>Stakeholder Engagement, Projects, &amp; Policy</i> - Stakeholder engagement to inform Phase 2 proposal, including equity partners - Hire Regional Economic Competitiveness Officer (RECO) - Build pipeline of pilot projects and communities - Identify policy changes to support modular housing at multiple levels of government	StopWaste	\$135,000
Administration	<i>Grant Management</i> - EDA grant liaison - Contract execution and oversight - Invoicing, reporting and financial management	StopWaste	\$50,000
Total			\$500,000