

Council Business Meeting

September 15, 2020

Agenda Item	ODEQ 2020 General Materials Management Grants Application Request	
From	Stu Green	Climate and Energy Analyst
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SUMMARY

Staff is requesting that Council approve the application for [Oregon Department of Environmental Quality \(ODEQ\) General Materials Management Grant](#). This grant application will seek \$50,000 to conduct a “Material Flow Analysis and Circular Economy Opportunities in City of Ashland”.

The aim of this project is to develop an evidence base of material flow analysis in relation to the economy, carbon impact and resource use in Ashland through a desktop study and stakeholder engagement work. This analysis and outreach will help identify opportunities for sectors, businesses, non-profit community groups and growth industries in relation to sustainable consumption and production (such as sharing economy, cooperative models, different more sustainable materials at scale, material exchange, industrial symbiosis). Potential beneficiaries of final report include the City of Ashland, Southern Oregon University, Ashland School District, Chamber of Commerce, large local employers, as well as the general public.

POLICIES, PLANS & GOALS SUPPORTED

- [2019-21 Council Goal 2.B.A](#) – Value Services: Emergency Preparedness, Address Climate Change
- [2017 creation of AMC 9.40 Climate Recovery](#)
- [2017 Ashland Climate and Energy Action Plan](#) (all goals supported)
- [2011 Ashland Economic Development Strategy](#) Actions 1.3 and 1.5
- [State of Oregon 2050 Vision for Material Management](#): “Oregonians in 2050 to produce and use materials responsibly – conserving resources, protecting the environment and living well”.

PREVIOUS COUNCIL ACTION

- [March 19, 2019 Business Meeting](#) - Approval of Resolution 2019-02 adopting the City Council’s 2019-2021 Biennial Goals
- [Sept 19, 2017 Business Meeting](#) – Approval of Ordinance No. 3145 – An Ordinance Establishing Greenhouse Gas and Fossil Fuel Reduction Goals and Targets for Community and City Operations; creates AMC 9.40 Climate Recovery
- [March 17, 2017 Business Meeting](#) – Acceptance of Ashland Climate and Energy Action Plan.

BACKGROUND AND ADDITIONAL INFORMATION

Per Administrative Policy 11-01.04, staff are required to seek Council approval for grant applications in excess of \$25,000. Additional grant details are provided below.

1. Grant source: Oregon Department of Environmental Quality
2. Name of project to be funded: Material flow analysis and circular economy opportunities in City of Ashland
3. Expenditure to be funded: \$50,000
4. Time frame for project expenditure: Grant funds are planned to be expended within 12 months of award.
5. Amount of matching expenses: No additional funding from the City is required.
Source of matching expenses: None required.

6. Anticipated impact on current budget: No impact on current budget.
7. Anticipated impact on future budgets: Potentially positive impacts to future budgets. No negative impacts to future budgets are anticipated.
8. Restraints, stipulations, requirements of grant: No relevant constraints for this project proposal.
9. Deadline for application: 02 October 2020
Anticipated award date: To be announced by ODEQ, likely Spring 2021.

FISCAL IMPACTS

No allocation from the current budget is required for this project. The only direct cost to the City is the allocation of staff time to facilitate the project. This project can be accomplished with existing staff resources and will require between 60-80 hours of staff time over approximately 12 months.

There are potentially positive impacts to future budgets. However, grant project is designed to benefit the City of Ashland and wider community by identifying sustainable cost-saving measures (such as decreasing landfill expenses) and supporting new revenue streams (such as promoting electrification). No negative impacts to future budgets are anticipated.

The ODEQ grant project will have three primary fiscal impacts:

1. It provides funding to conduct the research study.
2. It will identify sustainable cost-saving opportunities for the City of Ashland, key stakeholders, and the community as a whole.
3. It will identify sustainable revenue streams that the City can create or expand.

STAFF RECOMMENDATION

Approve staff request to apply for the ODEQ 2020 General Materials Management Grant: Material flow analysis and circular economy opportunities in the City of Ashland.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to approve staff request to apply for the ODEQ 2020 General Materials Management Grant.

REFERENCES & ATTACHMENTS

Attachment 1: Draft Ashland Material Flow Analysis and Circular Economy Opportunities in Ashland

Material flow analysis and circular economy opportunities in City of Ashland

Introduction

The aim of this project is to develop an evidence base of material flow analysis in relation to the economy, carbon impact and resource use in the City of Ashland through a desktop study and stakeholder engagement work. This analysis and outreach will help identify opportunities for sectors, businesses, non-profit community groups and growth industries in relation to sustainable consumption and production e.g. sharing economy, cooperative models, different more sustainable materials at scale, material exchange, industrial symbiosis. This is directly in line with Oregon's 2050 Vision for Material Management, Oregonians in 2050 produce and use materials responsibly – conserving resources, protecting the environment and living well.

COVID-19 is impacting communities, businesses and organizations of all sizes all over the world. Cities, Regions and Nations are strategizing their economic rebuild plans and what their communities look like following the pandemic. This is a real opportunity for Ashland to assess its economic resilience, identify opportunities and build sustainability into its vision and approach from the beginning.

Sustainable consumption and production is about doing more and better with less. It is also about decoupling economic growth from environmental degradation, increasing resource efficiency and promoting sustainable lifestyles. Sustainable consumption and production can also contribute substantially to poverty alleviation and the transition towards low carbon and green economies ¹.

Understanding the material flows in a city helps us to identify economic, environmental and social opportunities. As we look to build back better, there are opportunities for a sustainable approach to production, consumption and move away from the linear economy. These are the opportunities we need to identify and put into practice to help transition to a low carbon, resilient and circular economy.

We live in a predominantly extractive linear economy of take, make, use and dispose. A circular economy is where resources are kept circulating in use for as long as possible – extracting maximum value from them, and then recovering and regenerating them into products and materials at the end of their life. For example, in Ashland, a significant opportunity to save money and close the loop on materials will be to treat biosolids at the water and wastewater treatment plant rather than transport to the landfill. This would also create an output to be used as a soil enhancer.

The current crisis of COVID-19, as well as changes we are seeing in the climate, is an opportunity to rebuild a more diverse, resilient and sustainable economy in Ashland that works for both people and planet. In June and July, the Ashland Action Project of Southern Oregon Climate Now (SOCAN) conducted an online survey of Ashland residents titled, Lessons Learned from Recent COVID Restrictions: Imagining the Future of Ashland. Nearly 69% of respondents stated that their experience with the pandemic in Ashland changed their views about what it means to have a healthy local economy. Nearly 88% believe we can reduce our climate impacts and have a healthy economy, and are calling for leadership to create a more diversified, sustainable, affordable and resilient economy.

¹ <https://www.un.org/sustainabledevelopment/sustainable-consumption-production/>

What is happening elsewhere?

At a global level, nations, regions and cities are all facing challenges of an economic rebuild and looking at how to build back better. It has been referenced at length that building sustainability and low carbon into the economic rebuild will help economic recovery and build a more resilient, sustainable and equitable economy and community. The question is, how do we do this? And how do we know where the opportunities are for Ashland.

OECD has also been looking at how and why cities should embrace the circular economy to shape our post covid future.

<https://www.oecd.org/regional/cities/circular-economy-cities.htm>

<https://www.oecd-forum.org/posts/resilient-people-and-places-why-cities-should-embrace-the-circular-economy-to-shape-our-post-covid-19-future>

We are already seeing major gains in cities, regions and nations embracing the circular economy and we can learn from these. <https://www.c40.org/researches/municipality-led-circular-economy>

Zero Waste Scotland, an award winning world renowned government delivery body has been accelerating the transition to a circular economy in Scotland. Scotland is one of the pioneering nations in transitioning to a circular economy.

<https://www.zerowastescotland.org.uk/circular-economy/cities-and-regions>

Circle Economy, a Dutch based consultancy, is also working globally to look at the economy and material flow in cities and has developed a Circle Cities Tool to help identify opportunities.

<https://www.circle-economy.com/digital/circle-city-scan-tool#:~:text=The%20tool%20builds%20on%20Circle%20Economy%E2%80%99s%20expertise%20helping,as%20Amsterdam%2C%20Glasgow%2C%20Basel%2C%20Almaty%2C%20Philadelphia%2C%20and%20more>

Goals

- To understand the material flows through Ashland to help us identify opportunities for the economic rebuild that support both social equity and addressing climate change
- To understand priority sectors for Ashland to focus on and identify opportunities for a more sustainable and circular economy
- To attract innovative and sustainable businesses to Ashland
- To put in place more sustainable consumption and production business models e.g. sharing economy, cooperative models, different more sustainable materials at scale, material exchange, industrial symbiosis
- To understand how we can make more efficient, sustainable and equitable
- To prioritize opportunities for Ashland based on criteria and set out how these can be implemented
- To establish a foundation through research, knowledge and outreach to then implement projects to help Ashland make the transition to a responsibly consuming and more circular economy.

Project description

A methodology is being adapted adapted tailored to Ashland and utilizing the strengths from other projects worldwide.

For example, in preliminary discussions with Zero Waste Scotland, 1 to 1 business engagement and stakeholder workshops complement a high level material flow analysis. It is as important to engage the business community as much as it is to collate the economic and material flow analysis. The analysis also helps to identify potential financial savings and opportunities to help engage at the strategic level. Both these elements will be built into the project for Ashland.

A draft methodology is set out below. This is subject to change and dependent on the size of the grant.

Step 1: Material and economic flow mapping

Undertake a high level analysis using economic and environmental data to help identify priority sectors within the City of Ashland. These priority sectors are defined as those where the greatest economic activity occurs that have the greatest impact through resource use, waste generation and logistical needs

Step 2: Understand the regional priorities and growth industries

Undertake a desk based study to identify key political, economic and environmental drivers across the city and any possible barriers that could impede the adoption of a circular economy. This study will also look at potential growth industries e.g. diversification of tourism.

Stakeholder engagement and outreach to gain further insight in the form of workshops and business 1 to 1s.

Together the outputs from steps 1 and 2 will inform the basis for the rest of the study.

Step 3: Identify priority sectors

Identify priority sectors (based on economic impact, carbon and resource use) and identify the circular economy hotspots within the priority sectors.

Assess and quantify the economic prize associated with implementing the circular economy projects in the hotspots identified. Calculate potential savings in terms of gross value added (GVA) for each of the priority sectors.

Step 4: Identify and map circular economy opportunities

The circular economy covers many types of opportunities that can differ significantly by sector. Steps 1 to 3 helps to identify the priority sectors and sector interfaces. Using this information, carry out a high-level mapping exercise for each sector, using a structured framework based around the following four key circular economy principles: • Refurbishment and remanufacture. • Re-use. • Recycle/regeneration. • Prevention (e.g. resource and product sharing, design for disassembly and maintenance).

From this mapping exercise, a list of circular economy opportunities can be formed.

Carry out stakeholder engagement to share the opportunities to seek insight into the appropriateness and attractiveness of the various opportunities. The valuable knowledge and insights of the stakeholders

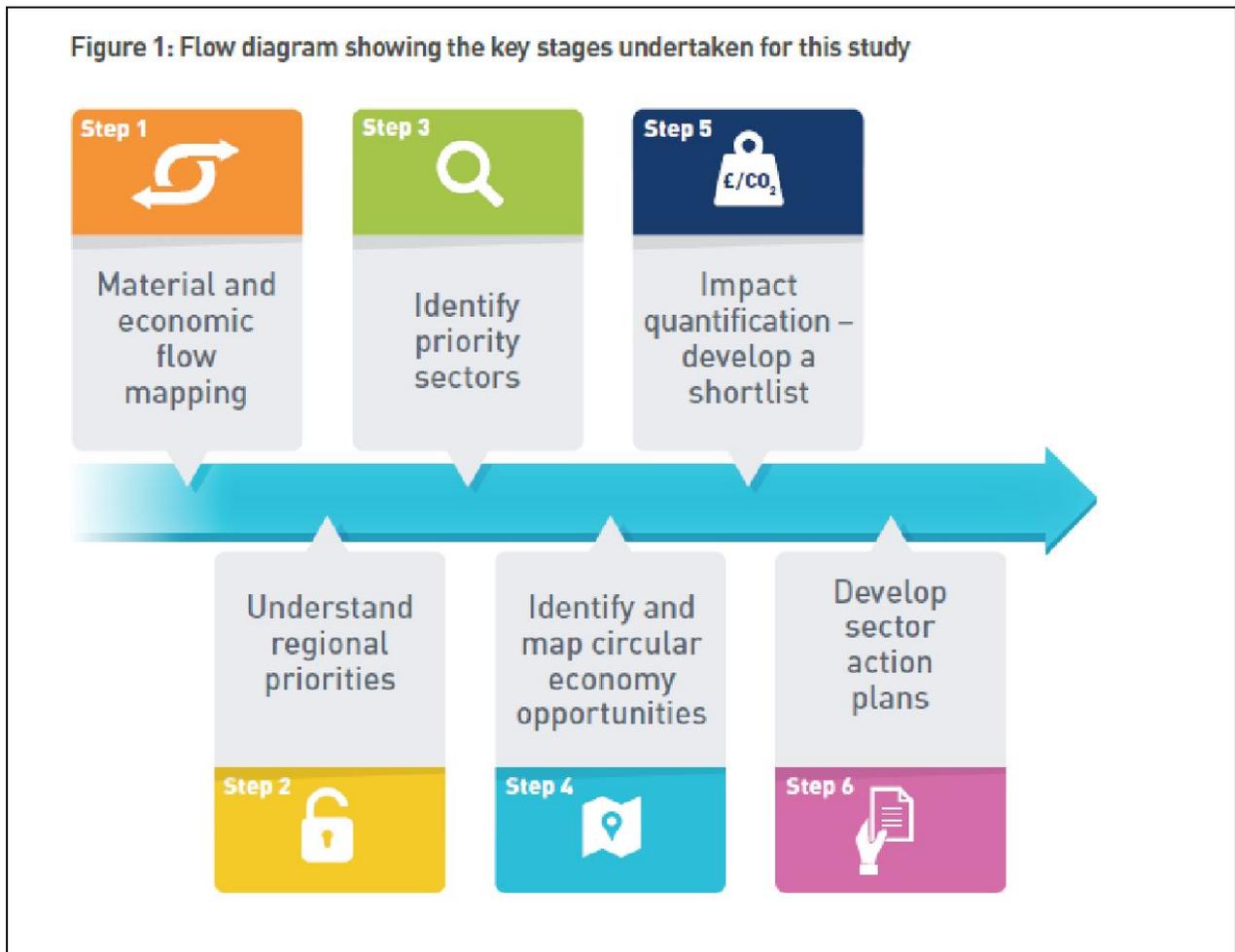
helps to ascertain the political appetite for various initiatives and subsequently develop a revised, shortened list of opportunities.

Step 5: Impact quantification – develop a shortlist of opportunities

Further prioritize the opportunities that would maximize the economic and environmental benefits. A qualitative scoring mechanism – based on economic impact, resource savings, carbon impact and likelihood of implementation in the city – can be used to rank these opportunities.

Step 6: Implementation Plans for shortlisted opportunities

Develop implementation plans for the shortlisted opportunities



Source: Zero Waste Scotland, Tayside