

IMPACT STATEMENT

Legislation title: Authorize a temporary interfund loan not-to-exceed \$2.6 million from the Bureau of Planning and Sustainability's Solid Waste Fund to the Portland Clean Energy Community Benefits Fund to provide interim financing for startup costs of the Clean Energy Community Benefits program (Ordinance)

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Purpose of proposed legislation and background information:

The purpose of this legislation is to provide temporary funding to the Clean Energy Community Benefits Fund.

At the November 6, 2018 general election, Portland voters approved Ballot Measure 26-201, the Portland Clean Energy Community Benefits Initiative (the "Measure") with a 65% yes vote. The Measure imposes a 1% surcharge on the retail sales within Portland of certain large retailers to fund clean energy projects and jobs training from the Portland Clean Energy Community Benefits Fund (the "Clean Energy Fund"), which was established by City Council on February 21, 2019 by Ordinance 189390.

The initial tax receipts related to the 1% large retailer surcharge and corresponding deposits to the Clean Energy Fund are not expected to begin until late fiscal year 2019-20. This legislation will allow the City of Portland to accelerate the timing of staffing and program implementation of the Clean Energy Fund by providing temporary funding via an interfund loan in the current fiscal year 2018-19.

Financial and budgetary impacts:

Financial Impact: The interfund loan from the Bureau of Planning and Sustainability's (BPS) Solid Waste Fund will be funded in the maximum amount of \$2,600,000 to pay reasonable necessary start-up costs of the Clean Energy Fund.

The interfund loan will accrue interest at the City's Investment Fund earnings rate, payable to the BPS Solid Waste Fund at maturity (June 30, 2020). Total interest is estimated to not exceed \$150,000.

Budgetary Impact: This legislation does not have an impact on budgeted appropriations.

In accordance with State of Oregon budget law, the BPS will bring forth a budget request in either the Spring Budget Monitoring Process or the Over-Expenditure Ordinance to record the interfund loan during the fiscal year 2018-19.

Community impacts and community involvement:

The Clean Energy Fund will provide community benefits through grants to nonprofit organizations that will carry out clean energy projects and clean energy jobs training, with a focus on benefitting historically disadvantaged and disproportionately climate-impacted groups including low income communities and communities of color.

100% Renewable Goal:

This ordinance supports the City's 100% renewable goal through the accelerating the program implantation of a fund that will be used to support the equitable implementation of the City's Climate Action Plan, including through programs that broaden access to energy efficiency and renewable energy infrastructure and clean energy jobs training.

Budgetary Impact Worksheet**Does this action change appropriations?**

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount