

## RFP #1 lessons learned and key modifications for draft RFP #2

As part of the Portland Clean Energy Community Benefit's Fund's (PCEF) commitment to accountability and continuous improvement, PCEF staff engaged in a comprehensive evaluation of our first request for proposals (RFP #1). We considered what worked well and where there was room for improvement. Most importantly, we wanted to know if the application content and process was user-friendly, delivered quality information, and resulted in funding decisions that align with PCEF goals and guiding principles.

The evaluation included qualitative and quantitative elements and was informed by an analysis of application data as well as meetings and interviews with staff, grant review panelists, Committee members, and grant applicants. Twenty-one grant applicant interviews included organizations whose applications were funded and organizations whose applications were not funded. To promote candor and comfort, these interviews were conducted by BIPOC individuals that were not PCEF staff. Additional feedback was received in conversations with staff that were requested by grant applicants. A community forum was held June 22<sup>nd</sup> to share findings and seek feedback regarding potential improvements.

The evaluation identified a tremendous amount to celebrate regarding PCEF's inaugural request for proposals - kudos to the PCEF Committee, staff, and many stakeholders who participated in shaping RFP #1 – your feedback made a difference! There were no major flaws in the application and review process, and appreciation was expressed for the Committee and staff's commitment to engagement, transparency, responsiveness, and equity. Folks also appreciated the resources (i.e., webinars and application support grants) that were made available to help organizations apply, the feedback loop during application review, and the application serving a mix of project and organization types. In addition to these successes, areas of improvement to application content and process were also identified.

Through the evaluation process, we identified a number of dualities – for example, some applicants thought the process was easy while others thought it was difficult, some applicants appreciated the information shared while others felt there was too much, some thought the application and process were clear and others did not. These findings are a reminder that PCEF serves a broad array of organizations with varying levels of experience and capacity as well as individuals with varying preferences. One finding of note, in line with our [Guiding Principles](#), BIPOC-led organizations provided a higher overall rating of RFP #1 than non-BIPOC-led organizations in the interview process. BIPOC-led organizations also scored higher in RFP #1, on average, and were awarded funds at a higher rate.

Many of the findings (which are detailed further in the [July 19th memo to the PCEF Committee](#)) regarding application content have been addressed with minor changes to wording or formatting while a few required more substantive revision. Information about RFP changes that respond to the findings are provided below.

1. **Financial Review**
2. **GHG Emissions Impact**
3. **Employee Benefits**
4. **Organization is Reflective of Community Served and Project Benefits Priority Population**
5. **Workforce and Contractor Utilization Questions**
6. **Workforce and Contractor Development Proposals**
7. **Holistic Approach to the Assessment of the Project Story**
8. **User Experience and Application Support**

Thank you to everyone who provided feedback on PCEF's RFP #1. We hope these modifications contribute to an even more successful RFP #2 and look forward to hearing how we can continue to improve.

## **1. Financial Review**

Modifications to the financial review process are designed to meet PCEF's legislative mandate to ensure applicants have capacity to implement the project and ensure fiscal accountability, while being inclusive of organizations that may need some support in this area. In response to grant reviewer feedback, the financial review will be performed by person(s) with expertise in the field rather than by the full review panel. The financial review will result in a designation of green, yellow, or red as follows:

- Green = if project is funded, no extra supports or management required.
- Yellow = if project is funded, attention to specific areas of concern should be addressed with technical assistance, management, etc.
- Red = if project is funded, grantee may have more reporting requirements and financial controls as well as capacity building through technical assistance and increased program oversight.

Financial review findings will be shared with scoring panel members for context in evaluating application but will not be part of the score.

## **2. GHG Emissions Impact**

Direct GHG emissions impact is scored for proposals with physical improvements. The GHG impact score is calculated by PCEF staff based on project information provided by the applicant (i.e., types of measures to be installed) and industry standards. The form for submitting the inputs used to calculate the direct GHG emissions score is simplified to address the confusion that some applicants had about this process. Average baseline energy use from existing datasets

will be used to estimate savings when actual baselines are unknown. If a proposed project includes new construction, embedded carbon is an additional consideration in assessing GHG impact.

Regenerative agriculture and green infrastructure (RA/GI) projects and clean energy projects will be scored separately for GHG impact as the scoring method used in RFP #1 favored clean energy projects.

More explicit definitions and questions are now provided for scoring indirect GHG impact in order to help reduce confusion and improve scoring for this criterion. For Workforce and Contractor Development applications, this criterion is no longer required; it is instead one of many ways an applicant can earn points for "other environmental and/or social benefits."

### **3. Employee Benefits**

The question about an applicant organization's employee benefits has been eliminated as it did not serve as an incentive or screen. There were no substantive differences between organizations. Any effort to raise the bar would increase applicant burden and require quality information that is not readily available regarding current standard practices.

### **4. Project Benefits PCEF Priority Population(s) and Organization is Reflective of Community Served**

Questions that address whether the proposed project serves PCEF priority populations and whether the organization is reflective of the population being served have been consolidated and refined. These changes are designed to provide better clarity and reduce redundancies.

### **5. Workforce and Contractor Utilization**

Equity in contracting is scored for all types of projects, not just those for that include construction. The criteria applies if the project includes \$50,000 or more in contracting for construction, goods and services, and/or professional services. This change supports PCEF's goals of expanding contracting opportunity through all PCEF investments.

For projects with physical improvements, applicants are no longer required to identify their contractor and workforce commitments at the time of application. Applicants with a contractor secured may still earn full points, however, applicants without a contractor may equally earn full points based on their contractor recruitment strategy. This responds to realities associated with the challenges of securing and guaranteeing a contractor at an early stage in project development and provides a higher degree of confidence in the scores for this criterion.

Projects with physical improvements at a single site with construction budgets (hard and soft) of \$350,000 or more of PCEF funds are required to meet specific goals for diverse contractor and workforce utilization (including apprentices). These goals include: a minimum of 30% of contract and subcontract dollars to diverse firms; 22% of total work hours in each apprenticeable trade performed by state-registered apprentices; 30% or more of workers represent PCEF priority populations.

## **6. Workforce and Contractor Development Proposals**

A separate application has been created for grant proposals that focus primarily on workforce and/or contractor development (WCD). Proposals that address workforce and/or contractor development along with clean energy, regenerative agriculture, green infrastructure, or other projects are accommodated through the use of forms for each funding area that are embedded within the application, e.g., if a \$5 million WCD project included installation of \$100,000 or more of renewable energy, the applicant would complete the Renewable Energy Form in the WCD application. This change addresses some of the confusion associated with “skip patterns” in the application.

The workforce and/or contractor development application more clearly asks how the program contributes to development of a workforce and/or business that addresses climate change. This modification in wording aims to ensure a clear connection to climate and building workers and businesses that can support implementation of PCEF investments.

A question has been added to clarify the type of WCD project being proposed:

- Direct workforce development training or assistance designed to result in immediate or near-term job placement or advancement
- Direct contractor development training or assistance designed to help businesses launch, grow in a new direction, or scale up
- Educational programming designed to build awareness of and interest in climate related professions

Proposals that would provide direct job training or direct support to contractors are prioritized over those that are focused on developing awareness of climate related professions.

## **7. Holistic Approach to Assessment of the Project Story**

A range of refinements have been made to support the desire for a more holistic approach to the application and review process. Changes to the application wording and format now allow for a more cohesive telling of the “story” of the proposed project. Additionally:

- Audio/video submissions complementing the application are allowed
- Reviewers will be able to ask a wider set of clarifying questions to applicants
- A new scoring criterion has been added for reviewers to score the project as a whole with respect to its alignment with the [PCEF Guiding Principles](#)

## **8. User Experience and Application Support**

In addition to the updates noted in the prior sections, additional changes are planned for RFP #2 in order to improve user experience and applicant support. These include, but are not limited to:

- Tailored informational webinar sessions corresponding to differing applicant needs
- Curated video recordings of webinar sessions with a table of contents to allow easier viewing after the event

- Staff office hours to support applicants getting additional information about the applications
- Additional capacity-building and technical assistance resources to support applicants