

PORTLAND CLEAN ENERGY COMMUNITY BENEFITS FUND (PCEF)

GRANTS COMMITTEE MEETING SUMMARY

March 16, 2023 • 5:30 PM – 8:30 PM

Hybrid Meeting—Zoom Call & PCC Southeast Campus Community Hall

Committee Members	Position	Affiliation	Present
Dr. Megan Horst	Co-Chair	Associate Professor, School of Urban Studies & Planning at Portland State University	Yes
Ranfis Villatoro	Co-Chair	Oregon State Policy Manager, BlueGreen Alliance	Yes
Shanice Brittany Clarke	Member-at-Large	Director of Community Engagement, Portland Public Schools	No
Faith Graham	Member-at-Large	Principal Director, West Coast Strategy and Development, Elevate Energy	Yes
Maria Gabrielle Sipin	Member-at-Large	Technical Assistance Manager, Safe Routes Partnership	Yes
Michael Edden Hill	Member-at-Large	Community Member	Yes
Robin Wang	Member-at-Large	Vibrant Future LLC	Yes
June Reyes	Community Engagement Coordinator	PCEF Staff	Yes
Sam Baraso	Program Manager	PCEF	Yes
Cady Lister	Deputy Program Director	PCEF	Yes
Jaimes Valdez	Org. Development & Policy Manger	PCEF	Yes
Kris Grube	Project Manager	PCEF	Yes
Wendy Koelfgen	Project Manager	PCEF	Yes
Elizabeth Stover	Senior Communications Strategist	PCEF	
Tracy M. Smith	Facilitator	Inhance LLC	Yes
Camerina Galván	Notetaker	Galvan Consulting LLC	Yes

OTHER ATTENDEES: Ciara Pressler, Strategic Consultant, Pregame; Ivan Gwynn; Nicole Buchanan; Jeni Hall; PCRI Inc.

INTRODUCTIONS

- Tracy M. Smith called the meeting to order at 5:41 PM.
- The quorum was met.

PUBLIC COMMENTS

- No public comment.

UPDATE: HEAT RESPONSE PROGRAM: JAIMES VALDEZ, PCEF STAFF

- Jaimes Valdez reported on the PCEF Heat Response Program's first year. The program's name will be changed to reflect the approach and to indicate that it is not an emergency response.
- Committee member comments and questions:
 - A committee member encourages public relations to be done during the summer to promote the program's success stories since the program had a rough start.
 - Were there lessons learned? Were there changes or improvements?
 - Response: There were lessons learned regarding warehousing and logistics. Modifications were made to streamline the process and receive reporting from community-based partners sooner. Software platform challenges experienced by community-based partners have been resolved. Listening sessions were held to determine areas of improvement and what worked well. There are changes to the type of equipment being purchased. Technical modifications are being made to the installation guidelines. There will be greater coordination with the health association-funded programs to clarify whom they serve and their focus.

UPDATE: CLIMATE INVESTMENT PLAN (CIP) TIMELINE: SAM BARASO, PCEF STAFF

- Sam Baraso reviewed the CIP timeline.
- The preliminary CIP draft has been launched.
- There are additional sections the committee will be briefed on.
- An additional committee meeting will be added to the timeline between April—June 2023. The committee members will appoint new committee members in the additional meeting.
 - **ACTION ITEM:** PCEF staff will connect with Megan Horst and Ranfis Villatoro to schedule an additional committee meeting.

STRATEGIC PROGRAM: CLEAN ENERGY IN SINGLE-FAMILY HOUSING: KRIS GRUBE, PCEF STAFF

- Kris Grube gave an overview of Clean Energy in Single-Family Housing.
- Committee member comments and questions:
 - Doing a deep energy retrofit can be intrusive to the home. Is a target of 15,000 realistic, considering people may have to move out of their homes?
 - Response: With good communication and planning, folks don't need to move out of their homes. The projects are not done in the living areas and are quick and easy to update.
 - For the rental projects, could you give an example of how this will benefit the renter and not the landlord?
 - Response: We'll focus on the things that will reduce the utility bills and benefit the renter. Attic insulation, for example, has a significant impact.
 - Making an energy improvement to the attic will not increase the home's value but will save the renter on utility bills.
 - Response: Yes.

- Can you talk more about the equity accountability mechanism? What will be done so a landlord commits to renting stability over 3-9 years? How do you hold them accountable?
 - Response: There are legal elements, and more thinking is needed. PCEF will attempt several tactics, and we are still determining how successful we will be. Landlords will have increasing levels of investment based on the amount of time they commit to renting stability. The level of investment will cover perceived revenue loss plus an incentive. Property owners will need a high level of engagement. It will be a heavy lift; PCEF will do its best.
- How will PCEF funding in the residential space help contractors meet federal requirements, especially from IRE Investments and for solar generation storage?
 - Response: It isn't very easy for contractors. Our partners will create accessible pathways for contractors to access incentives. We don't know what that will look like yet.
 - Response: PCEF staff doesn't know how the federal investments will be rolled out. We have heard from program administrators that they track resources and weave them together for projects. The request for proposals will state that the incentives must come into play.
 - Response: We are learning the rulemaking for federal-level investments and don't want to give people tax advice. We need to be careful of how we talk about those opportunities. We are working with partners on the messaging because we see many opportunities from organizations weaving tighter and complementing the PCEF investment.
- A committee member recommended bringing in BOLI as a resource partner to help first-time contractors calculate prevailing wages and access apprenticeship programs.

STRATEGIC PROGRAM: CLEAN ENERGY IN UNREGULATED MULTIFAMILY RENTALS: WENDY KOELFGEN, PCEF STAFF

- Wendy Koelfgen gave an overview of the Clean Energy in Unregulated Multifamily Rentals Strategic Program.
- Committee member comments and questions:
 - Can you speak to how tree planting is integrated into this strategic program?
 - Response: A tiny percentage of funding is included in all the clean energy programs with opportunities for tree planting and green infrastructure improvements.
 - Can you share more about the rent stability clause?
 - Response: We reviewed research regarding the different programs and ways people have tried implementing rental covenants. They are challenging to implement and enforce, and it's part of the reason that climate programs underserve this market. The feedback we received was to refrain from attempting this. We must try, given that most low-income households live in these buildings.
 - A committee member would like more updates as we learn from this project. Who is the enforcer of the clause? Legal counsel may be necessary.
 - Response: Cady Lister and Wendy Koelfgen spoke with a city that has implemented a rent stability clause. The city in question mandated landlords to comply with energy efficiency targets or face penalties. PCEF cannot establish the policy required to move this sector. PCEF

- can lean on incentives. Other entities require the owners to do much more footwork, and the PCEF program may be attractive to the owner if PCEF does the heavy lifting.
- A committee member is concerned that the program will become a driver for gentrification.
 - Response: Energy efficiency work doesn't displace people because the upgrades are invisible. Visible upgrades lead to displacement.
 - How will the administrators select diversified contractors and workforce?
 - Response: It has yet to be determined. We do not want a bank of qualified contractors who only do the work. We must consider how to avoid displacing trusted facility managers and integrate them into the building upgrades. There is more information about the administrators in the documents provided. Priority will be given to program administrators with a history of serving the population the program is intended to serve and are representative of that population.
 - A committee member feels this sounds surface-level. He wants to ensure that individuals are licensed and tenants receive quality installations. There is a correlation between quality installation and real energy savings.
 - Response: An enormous amount of funding will be available to make outstanding projects virtually free for owners with all the funding opportunities. We will encounter housing that has been neglected for a long time and has substantial life health safety issues. We'll have to think through a process that enables energy efficiency work to be done.

STRATEGIC PROGRAM: CLEAN ENERGY IN SMALL COMMERCIAL BUILDINGS: WENDY KOELFGEN, PCEF STAFF.

- Wendy Koelfgen gave an overview of the Clean Energy in Small Commercial Buildings Strategic Program.
- Committee member comments and questions:
 - What are your thoughts about approaching a small client or financially challenged business that may close in six months to a year? What happens to the investment? How might you screen them?
 - Response: Being a financially vulnerable business won't be a disqualifying factor. This program may help stabilize them by reducing utility costs or getting them high-functioning and high-energy efficiency equipment. I hope there will be criteria not to serve those going out of business.
 - Response: Some more thinking needs to happen here to tease out whether there are elements of maintaining ownership for a certain period before we no longer track the asset.
 - A possible solution could be the development of a lease arrangement in which the city owns the equipment, and the business owner is prohibited from selling it because it's not their property or the equipment ownership transfers after five years.
 - Another solution could be a clawback revision.
 - What are the rights-to-know or know-your-rights for tenants experiencing construction projects? The committee member is concerned about life and work disruptions happening to tenants.

- Response: One opportunity area is the tenant refit time between tenants when improvements or modifications happen. We could target that window of time to make building-level improvements.
- Tenant outreach and education are significant components of the plan.
- Are food carts a business of focus? Food preparation and storage infrastructure are vast consumers of energy. Is the food sector an area of focus?
 - Response: Food carts can have appliances and equipment replacement and improvements in air quality, but no building-level improvements. PCEF has engaged with a chef on a mission to electrify food carts who collaborates with the Portland Food Cart Association.
- Knowing that food sales and services use more energy, you could focus on the food sector. PCEF could regain access to and recycle commercial spaces. Having a focus in the program would help PCEF be more targeted.
- Another committee member voiced concerns that folks will take the infrastructure and appliances with them if the business goes under. It would not be suitable for public relations.

UPDATE: CIP COMMUNITY ENGAGEMENT: JUNE REYES, PCEF STAFF

- June Reyes updated that the community visioning and priorities have concluded. The panel members have been selected. The following events will gather feedback on the preliminary draft.

STRATEGIC PROGRAM: TRANSPORTATION DECARBONIZATION: JUNE REYES, PCEF STAFF, AND JAIMES VALDEZ, PCEF STAFF

- June Reyes and Jaimes Valdez gave an overview of the Transportation Decarbonization Strategic Program.
- Committee member comments and questions:
 - June Reyes and Jaimes Valdez can expect to be contacted by stakeholders from the transportation roundtables who have feedback and questions to share.
 - Will e-bike parking or bike parking expansion be addressed in the community responsive grants, or will it be a part of the e-bike program?
 - Response: The workgroup will provide recommendations on how we might fund a program for safe and secure e-bike parking on a short-term basis and storage for people living in multifamily properties. We see that kind of infrastructure support in this program, and a recommendation on how much to allocate would come from the transportation workgroup.
 - Do you see the transportation workgroup as a space where participatory budgeting can be introduced so project dollars can be allocated through a more democratic and deliberative process?
 - Response: The transportation workgroup will exist for 24 months to guide and advise us on programming, not budgeting. There are concepts participatory budgeting offers, such as democratic and deliberative processes for decision-making, that we can borrow from. What suggestions do you have for how we include some of those components to get closer to the desired outcomes in this program or another program?
 - If \$1M or \$5M is allocated for a participatory process, it helps identify ideas and different ways that an RFP from nonprofits or strategic plans can't generate or make room for. Even allocating

a small amount of money annually or every five years helps identify things on a broad, city-wide scale to bridge gaps and fill voids.

- A committee member is excited about the possibility of youth engagement in this and the previous program.
 - Response: These programs offer an opportunity for youth engagement. The transportation wallet dollars can be used by youth for travel.
 - Response: You must be 16 or older to ride an E-bike. Youth-driven projects emerge in other strategic projects.
- Why this approach and not expand BIKETOWN? It may reduce the concerns about parking.
 - Response: Access to BIKETOWN would be enabled by the transportation wallet as an eligible use of the funds to help get people a subscription and pay for the usage charges. It would be a choice-based model. We will gain information about gaps in the transportation network through usage and surveys.
 - Response: We'll explore BIKETOWN further for the full draft. We thought it would come up more in our engagement, but it didn't. We are hearing more about the transportation wallet. We'll consider how the two interplay as we work on the final draft.
- Why e-bikes only? Why not regular bikes? Can it be a both-and approach?
 - Response: There were fewer barriers to accessing human-powered bikes. E-bikes can significantly impact a person's commute in a way that a human-powered bike cannot.
- A committee member is concerned about the bike retailers' approach. There are few bike retailers in Portland, and retail bike spaces can be unwelcoming for many folks.
 - Response: We can be intentional about what we require of participating retailers to ensure they meet PCEF values.
- If we provide more funding for these wallets and someone already uses car share or some other mode of transportation, then we're not achieving greenhouse gas reduction goals.
 - Response: We are relying on data, including *Transportation for All*, that is seeing a reduction in drive-alone trips. This is an aggregate. It uses new technology and reduces carbon by decreasing shorter-distance and single-occupancy trips. People will access more things to improve their quality of life, such as enhanced transportation options and new modes of transportation. We'll likely get mixed results.
- Will PBOT invest funds into the program, or is it solely reliant on PCEF funds?
 - Response: We are in talks with PBOT about what the interagency agreement will look like. Is there something that you want us to bring to the meeting? What do you want to see when discussing this additionality piece for the transportation wallet?
- We are reluctant to use PCEF funding to fund other agencies.
 - Response: We have information about PBOT's baseline and how our funding expands the number of households that can access the transportation wallet and the value of the wallet annually. We have ways of measuring their historical investments and ensuring that what PCEF contributes is above the baseline.

STRATEGIC PROGRAM: ACCESS TO FAIR AND FLEXIBLE CAPITAL: JAIMES VALDEZ, PCEF STAFF

- Jaimes Valdez presented on the Access to Fair and Flexible Capital Strategic Program.
- Committee member comments and questions:
 - A committee member shared that this program she needs the most clarification on. Where does the impetus come to put all this together? It feels like we are trying to solve many needs or disparate goals. Does it feel cohesive?
 - Response: The thread connecting all the pieces is decarbonization projects that meaningfully reduce greenhouse gases. We don't feel it's appropriate for PCEF to directly grant significant amounts of money to businesses to buy electric vehicles. Still, we can help enable that through low-cost access to funds or ways to measure the utilization of those focusing on priority-owned workforce businesses. This has a clear intersection with our PCEF goals. Interest rates have increased, making it harder for businesses to access capital. We could offer business better terms.
 - Response: Much federal funding will soon be available, and leveraging and tapping into the funding will be critical. We're talking about full subsidy and how we support that. The ability of a moderate household to leverage both federal and state incentives will hinge on access to favorable financing.
 - Response: Financial institutions and the banking industry has been harmful and predatory towards communities of color. There are ways to do financing, build trust, and help build people's credit in ways that can benefit their lives.
 - A committee member participated in the roundtables and felt the program was a silo trying to solve many needs. He now sees how it relates to the other programs with the provided context.
 - There are three types of financing applications. Will you ask the applicants to dictate the best use of funds for each area? How will that be decided?
 - Response: We have work to do on the RFP structure. It will be a menu, and the proposal will select one option. We might select multiple entities to serve a given topic area. The process needs to be designed in detail.
 - There is a lot of money available for this type of financing. PCEF funds could be more effective and leveraged by reducing the risk for lenders or the cost. PCEF can pay a lender, and for every loan they make, PCEF could pay the interest through this grant and offer 0% financing to targeted contractors. PCEF can leverage the capital and multiply it in that manner.
 - The potential of piloting a green bank program in Oregon is exciting and has risks. We need to verify that we are making investments. Compared to other lending institutions, PCEF would not get a return on its investment. PCEF must ascertain that investments are made in the right place.
 - A committee member recommended contacting investment trusts like a pension investment trust. There is potential for voters to invest in these programs.
 - **ACTION ITEM:** Ranfis Villatoro will connect PCEF staff with an investment trust.

STRATEGIC PROGRAM: LOW-CARBON, EQUITABLE 82ND AVE CORRIDOR: JUNE REYES, PCEF STAFF

- June Reyes presented on Low-Carbon, Equitable 82nd Ave Corridor Strategic Program.

- Committee member questions and comments:
 - What would the tree planting look like on 82nd Ave? It doesn't have space for tree planting.
 - Response: PBOT is expanding the sidewalks for ADA compliance and can incorporate tree planting. There are opportunities to acquire the right of way and to extend tree planting into neighborhoods off 82nd Ave. The primary opportunity is the sidewalks.
 - Is there an assessment or a map of what this would look like? Is the plan an expansion into the street or an expansion to private parking lots?
 - Response: There is a preliminary street design PBOT is taking comments on. PBOT has not designed the entire corridor, but there are focus areas for improvements in walkability, ADA access, and tree canopy. PCEF funding would be critical to some of those green infrastructure improvements.
 - Response: A PBOT staff member has been invited to present the project at the next committee meeting.
 - **ACTION ITEM:** PCEF staff will share the street design PBOT released for public comment with the committee.
 - What are your thoughts on gentrification with the improvements along 82nd Ave?
 - Response: Resident and business stabilization is part of the vision. The hope is that the investment will contribute to stabilization.
 - The scope has expanded with commercial building improvements.
 - Response: It expanded as we talked to more people about the challenges of depaving along 82nd Ave. because that is what the community wanted to see to reduce the urban heat island effect. We thought about what a business would need or want to do. If we propose to a business to depave and remove parking spots, PCEF probably wouldn't be able to spend as much funding along 82nd Ave and achieve the intended outcomes.
 - A committee member hopes to see the tree canopy connect with 82nd Ave. to Kelly View and Powell Butte in the future and hopes PCEF has a seat at the table to see in real-time how PCEF dollars are invested, lessons learned, and hear from businesses. He also hopes PBOT will set a goal for a diverse workforce and contractors.
 - Response: Many partners are at the table figuring out how to make the corridor greener, safer, more resilient, and sustainable. Learnings are already happening.

THE MEETING WAS ADJOURNED AT 8:31 PM.

NEXT MEETING: The next hybrid meeting will be Thursday, April 20, 2022, 5:30 PM—8:30 PM

Submitted by Camerina Galván, Notetaker, Galvan Consulting LLC.