

**PORTLAND CLEAN ENERGY COMMUNITY BENEFITS FUND (PCEF)**

**GRANTS COMMITTEE MEETING MINUTES**

**September 15, 2022 • 6:00 PM – 8:00 PM**

**Zoom Meeting Call**

<b>Committee Members</b>	<b>Position</b>	<b>Affiliation</b>	<b>Present</b>
Michael Edden Hill	Chair	Journeyman Electrician	No
Dr. Megan Horst	Co-Chair	Associate Professor, School of Urban Studies & Planning at Portland State University	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
Ranfis Villatoro	Member-at-Large	Oregon State Policy Manager, BlueGreen Alliance	Yes
Robin Wang	Member-at-Large	Vibrant Future LLC	Yes
Sam Baraso	Program Manager	PCEF	Yes
Cady Lister	Deputy Director	PCEF	Yes
Jaimes Valdez	Org. Development & Policy Manger	PCEF	Yes
Kris Grube	Program Manager	PCEF	Yes

**OTHER ATTENDEES:** Commissioner Carmen Rubio; Commissioner Jo Ann Hardesty; Jeni Hall, Solar Program, Energy Trust; Lisa Dashiell, Community Member, Riverwood HOA in NE Portland; Cathy Tuttle, BikeLoud PDX; Kate Sams, Friends of Zenger Farm; Meghan Humphreys, New Buildings Institute; Joe Culhane, former The Greater Portland Sustainability Education Network member and PCC Sustainability; Gayle Palmer, East Portland Resilience Coalition; and Sharon Maxwell Bratton, Construction to Everyone.

**INTRODUCTIONS**

- Cady Lister called the meeting to order at 6:03 PM.
- The meeting was an informational meeting and not public comments.

**COMMISSIONER REMARKS**

- Commissioner Rubio proposed proactive changes to PCEF based on learnings from the previous years and the fund's growth. The changes will shift the program from a community grantmaking

program to an investment and management plan without losing community and ballot measure values.

- The changes fall into three major areas: staff capacity, greater flexibility to invest resources beyond grants, and strategic funding allocations. The changes will be presented to Portland City Council in October 2022.
- Commissioner Hardesty shared the history of PCEF. She emphasized that the bill's creators anticipated generating only \$35M-\$50M for the fund and were unaware that retirement funds and construction would also pay the tax. Commissioner Hardesty, the Mayor, Portland Business Alliance, and advocates agreed that the tax on retirement funds and construction would be removed. Had the agreement not been reached, PCEF would still be disputed in the courts.
  - Once the pandemic hit, PCEF faced pressure to give money away with few to no provisions and accountability. Commissioner Rubio, Commissioner Hardesty, and Sam Baraso steadfastly lived up to PCEF values. Portland Business Alliance members pay the tax today.
  - Commissioner Hardesty supported Commissioner Rubio's proposed changes and affirmed their commitment to front-line communities. She encouraged the group to think big and generationally.
- Commissioner Rubio and Commissioner Hardesty's staff can answer questions about the City Council process.

#### **PROGRAM STRUCTURE EVOLUTION AND IMPROVEMENTS PRESENTATION**

- The proposed changes are informed by learnings, the early audit, and the unexpected growth of the fund and its balance.
- Details of the changes can be found in the [PCEF Program Structural Updates Memo](#).
- Sam Baraso reviewed the proposed goals and code changes. The goals are:
  - Develop 5-Year Climate Investment Plans (CIP)
  - Initial strategic programs and funding priorities
  - Enabling Code Updates
  - Cleaning up the Code
- Sam Baraso explained the differences between the current PCEF program structure model and the future model.
  - The future model will have an overarching CIP that will influence the funding allocations for the Community Responsive Grant Solicitations and the Strategic Programs.
  - Transportation Decarbonization will be a new funding allocation under the Community Responsive Grant Solicitations. The allocation "Innovation Reducing Projects" will be renamed "Other GHG Reducing Projects" to describe the work and the impact more accurately.
  - Eight new strategic programs will be designed and presented to the committee for recommendation.

- Sam Baraso explained the reason each of the code changes will be necessary to enable CIP and the strategic programs:
  - Code Change A: addresses how the code has a 5% admin cap, and there is ambiguity about what falls under the cap. Clarifying admin from program expenses will lead to higher transparency and accurate figures calculations. This was a direct response to the audit.
  - Code Change B: will resource the PCEF staff to administer projects, launch programs, and be responsive to community organizations, contractors, and requests.
  - Code Change D: will allow strategic programs to be contracted through the procurement office and greater control over programs.
  - Code Change E: will allow the public sector to be eligible for some contracts.
  - Code Change F: is in response to the nonprofit community approaching its capacity.
  - Code Change G: will create a fund to support tree maintenance in perpetuity.
  - Code Change H: will codify PCEF's approach. It should have been in the original code for good governance.
  - Code Change J: clarifies capacity building in response to audit recommendations.
  - Code Change K: will ensure grantees can provide workforce development training across city limits.
  - Code Change M: is in response to the high time commitment required of committee members to review grants. The commitment to review grants has been a barrier to recruiting new committee members.
  - Code Change P: clarifies what staff and committee members' responsibilities are in the code.
  - Code Change R: addresses vague code language. The code stop using "chronically underemployed people" as a catch-all for marginalized populations PCEF seeks to support.
  - Code Change T: is a standard criterion for all other city committee members.
- Next Steps:
  - October 19, 2022: First reading at City Council with opportunity for public testimony.
  - 1-3 weeks after October 19, 2022: Second reading at City Council.
  - The next Committee meeting is on October 20, 2022, to discuss the CIP timeline to meet the July 2023 deadline.

#### **COMMITTEE MEMBER QUESTIONS AND COMMENTS**

- Is the work on 82<sup>nd</sup> Ave or the region east of 82<sup>nd</sup> Ave.?
  - Staff response: The focus will be 82<sup>nd</sup> Ave.
- How will the changes affect the next grant cycle? Will it delay the next round of grants?
  - Staff response: RFP #3 will take shape as CIPs are developed, and responsive programs are defined.
- Whose job is it to write code language?

- Staff response: PCEF staff and the City Attorney have started writing the code language.
- A committee member mentioned they would like an opportunity to review the code language instead of seeing a finished product. They would like to be more involved beyond a briefing capacity.
  - **ACTION ITEM:** The committee will review the code changes in small groups before submission to the City Council.
- A committee member shared they are working on trust and that processes are important.
- What are the intent and the expectations about oversight? Is the expectation of oversight resting on the city council, the staff, or the committee? What does oversight mean?
- Once CIP is adopted, what is the role of committee members?
  - Staff Response: The code changes will not be everything. Once the plan is recommended, approved by City Council, and implemented, potential amendments can arise. In the current code, the committee is tracking goals and outcomes. Therefore progress updates will be shared with the committee so that adjustments can be made. These proposed changes will not address all the challenges; it is a starting point.
- A committee member emphasized the audit states PCEF committee oversight is unclear. Being responsive to the audit is important for clarity of purpose for all parties. They feel oversight remains vague and is worth addressing sooner rather than later.
- What work has been done or will be done between now and October 19 to involve community members who have been shaping PCEF from the onset?
  - Staff Response: The Commissioner has been meeting with original core ballot petitioners to discuss the challenges and nature of the changes. This is the culmination of that work. PCEF staff host a road show to give this level of detail to those community members and groups. The hope is they will give public testimony on October 19, 2022.
- A committee member feels supportive of the direction that aligns with past discussions and the PCEF lens. They have been in conversation with community groups who have expressed excitement about PCEF's expansion and the continuation of grantmaking.
- The committee member feels the committee member's role is to be the liaison between the community, staff, and City Council. They would like to see more community engagement.
- The committee's role is changing; it should be discussed and codified.
- CIP should remain in strong alignment with PCEF's guiding principles.
- This is an opportunity to be at the forefront of communication
  - Staff Response: PCEF will have a concrete plan to develop communication infrastructure for all the programs that will be developed. Bringing on staff resources will help with this.
- A committee member asked to hear more about the administrative increase.
  - Staff Response: With the increase, PCEF will more than double its staff in a multi-year process. If City Council approves changes, additional staff will be added to the fiscal year 2022-23 budget. Staff will be added as programs are created and mature.

## **COMMITTEE MEMBER CLOSING COMMENTS**

- There are pieces worth celebrating. We expect world-class service for programs and need a well-funded and robust public sector. Twelve percent for admin cap is still low to steward the program. The process is important to ensure the voices of vulnerable workers, especially those facing wage theft, are uplifted and protected.
- Appreciate staff and challenge them to increase transparency and how they communicate with the public and one another.
- Elevate participatory budgeting to expand the democratic decision-making process and continue to bring communities into the fold as much as possible.
- Generally supportive of proposals. Only reservation is the process. Feels things are being pushed on committee meetings without community participation. Ask the staff to bring in the community to the extent they can.
- There is general support for PCEF's evolution and enthusiasm for the budget size, the admin cap increase, CIP, and robust accountability with city agencies and entities.
- Reservation is due to the process not being as deliberative as I would like. Details of the code and the role of the committee are still unfinished.
  - **ACTION ITEM:** The committee will start working on CIP and the timeline at the October meeting.

## **ANNOUNCEMENTS**

- PCEF is looking for a meeting location on the East side for in-person meetings. The space needs to have high upload speeds to host public meetings.

## **THE MEETING WAS ADJOURNED AT 7:26 PM.**

**NEXT MEETING:** The next meeting will be Thursday, October 20, 2022

Submitted by Camerina Galván, Notetaker, Galvan Consulting LLC.