

COMMUNITY IS KEY



PCEF Grant Committee Meeting

January 31st, 2024, 6:00 – 8:30 p.m.

PORTLAND
**CLEAN ENERGY
COMMUNITY BENEFITS
FUND**



THE BUREAU OF **PLANNING
& SUSTAINABILITY**



VISIT US ONLINE
portland.gov/bps/cleanenergy

Virtual Meeting Participation Check

Guidelines for public participation

➔ Guidelines applied to virtual/hybrid meeting:

- Committee meetings open to the public
- Public invited to comment at around 6:05 p.m.
- There will be a break at 7:15 pm, online participants will see a break screen. There will be no online discussion available during break.



Chatbox: open for introductions and for noting public comment interest. All other times, host-only chats (PCEF Staff).



Raise Hand: used by Committee/presenters only.



Video: on for Committee/presenters only.



Microphone: public members muted.



Recording: this meeting is being recorded.



Captioning: this meeting is being captioned; settings > show subtitles.

Agenda

- 6:00 Agenda overview, followed by introductions
- 6:05 Public comment
- 6:35 Background and premise for proposed allocations – Climate Investment Plan, funding forecast, Climate Emergency Workplan
- 6:50 Process for 1st set of proposed allocations to City bureaus
- 7:00 Discussion on projects proposed for 1st set of allocations
- 7:15 Break (10 min)
- 7:25 Discussion on projects proposed for 1st set of allocations (con't)
- 8:15 Initial discussion on process for 2nd set of allocations
- 8:30 Meeting close

Introductions

PCEF Committee members

Public comment

Please indicate your interest in providing public comment by raising your hand or indicate your interest through the zoom chat function.

For those joining the meeting by phone, please enter *9 on your phone to indicate your interest in providing public comment.

Please limit your comments to 3 minutes.

Background and context

- Climate Investment Plan
- Climate investment need
- Climate Emergency Workplan
- City budget

PCEF

CLIMATE INVESTMENT PLAN

Portland Clean Energy
Community Benefits Fund (PCEF)
Climate Investment Plan

August 2023



THE BUREAU OF **PLANNING
& SUSTAINABILITY**

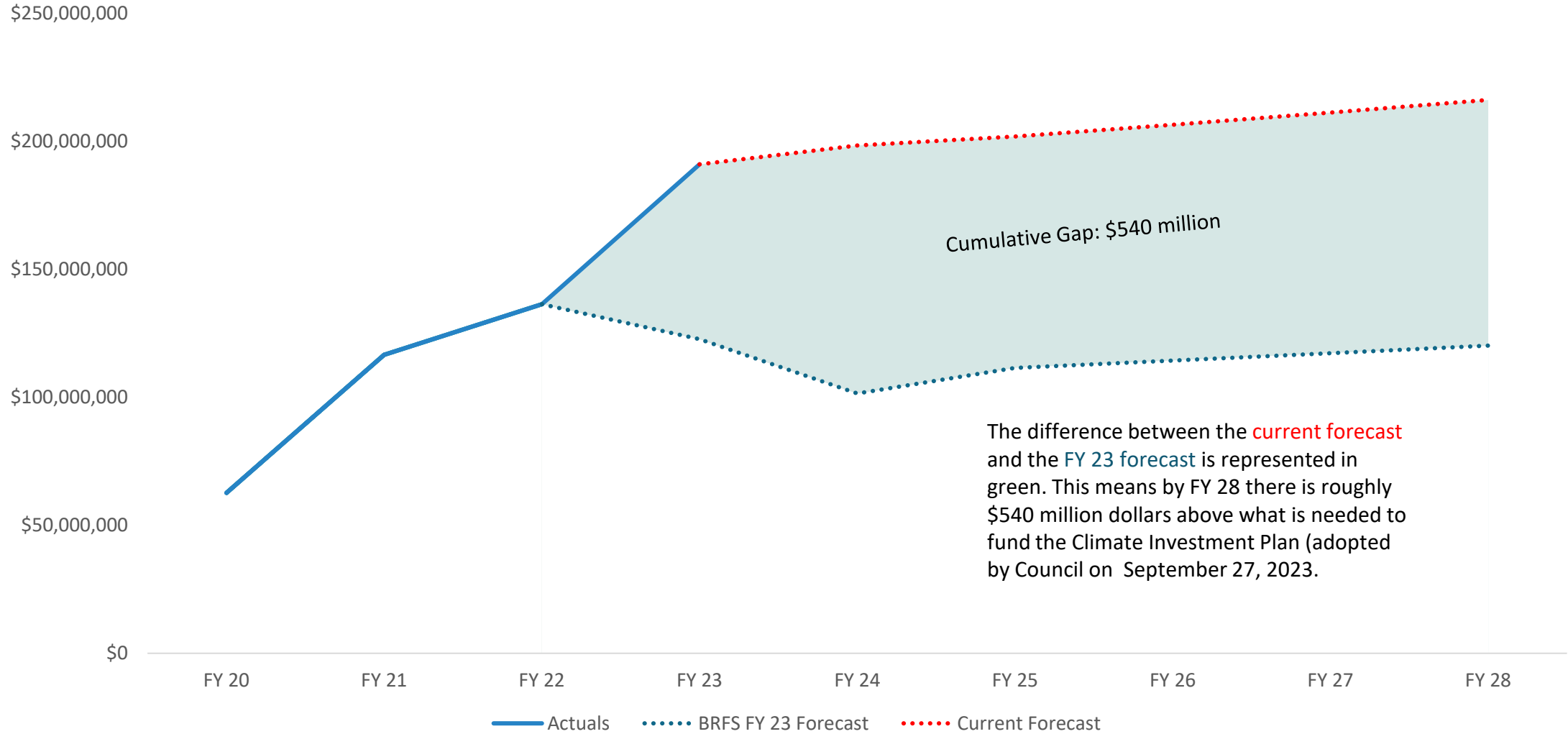
The Climate Investment Plan (CIP) allocates \$750 million in climate investments over the next five years.

The plan includes allocations to 16 strategic programs, a tree maintenance reserve fund, and to the Community Responsive Grants (CRG) program.

The CRG program is the designed to exclusively invest in projects by community based nonprofit organizations.

CREDIT: Portland City Budget Office

Clean Energy Surcharge Revenue and Interest



Climate investment need

\$50 billion

- The **minimum** amount a PCEF Market Study estimated it would take to address residential buildings, small commercial buildings, tree canopy, and EV charging in Portland.

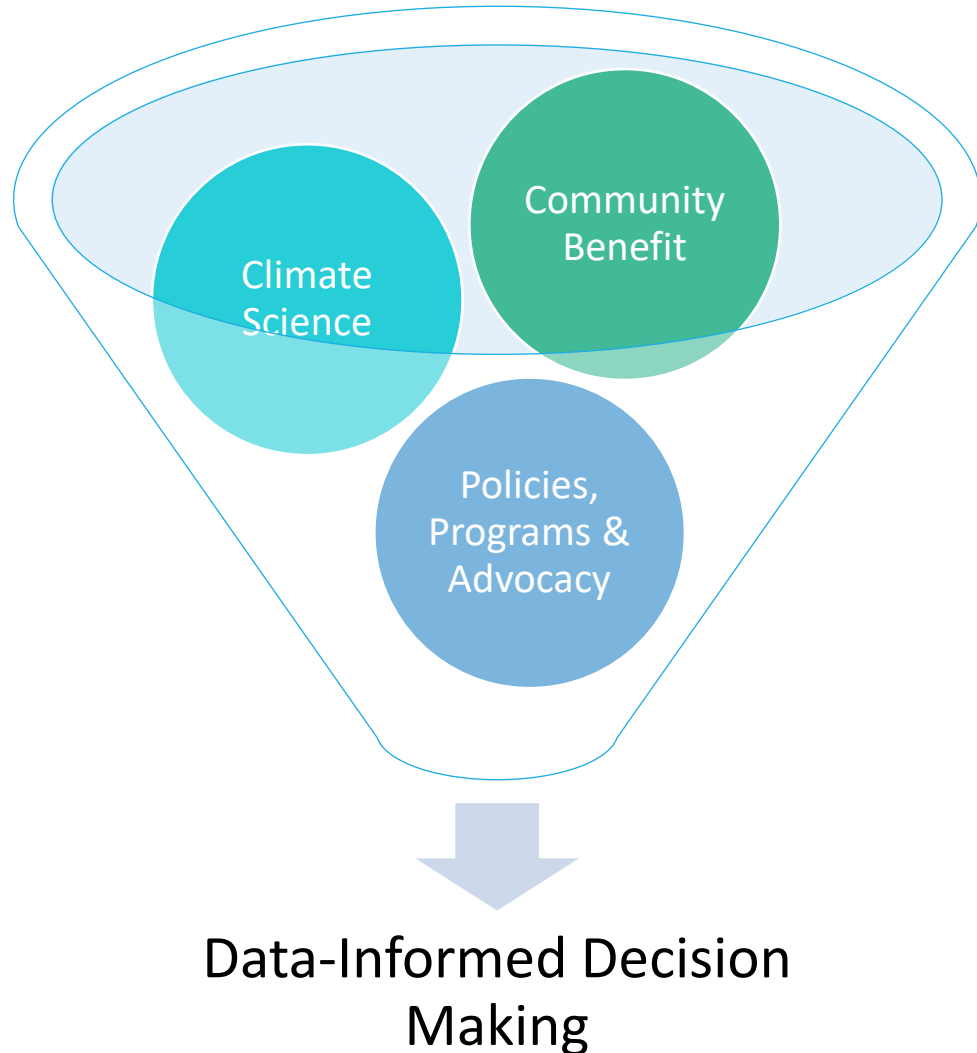
\$18 billion

- Of the \$50 billion minimum, \$18 billion is the amount it would take to provide climate resilience benefits to PCEF priority populations.
- With PCEF funding committed in the September 2023 Climate Investment Plan, it would take over 120 years to reach this goal.

\$750 million

- What the City previously committed to invest over the next five years through the Climate Investment Plan adopted by City Council in September 2023.
- That is equal to \$150 million per year.








Climate Action Over the Years



- 1993 Global Warming Reduction Strategy
- 2001 City/County Local Action Plan on Global Warming
- 2009 Climate Action Plan
- 2015 Climate Action Plan update
- 2017 100% Renewable energy by 2050
- 2018 PCEF ballot measure 26-201
- 2020 Climate Emergency Declaration
- **2022 Climate Emergency Workplan**
- 2023 Climate Investment Plan

Climate Emergency Workplan – Strategies and Actions

- Reduce carbon from the sectors that produce it (like transportation, industry, and buildings)
- Reduce carbon from the consumption of food, goods, and materials
- Sequester carbon in trees and green spaces
- Build Portlanders’ resilience to the impacts of climate change, focusing on those most vulnerable

Sources of emissions:	
	Electricity supply <ul style="list-style-type: none"> • Electricity • Natural gas
	Buildings <ul style="list-style-type: none"> • Commercial • Multi-family dwellings • Single-family homes
	Transportation <ul style="list-style-type: none"> • Diesel (commercial trucks, buses) • Gasoline (passenger vehicles, delivery vans)
	Industry <ul style="list-style-type: none"> • Manufacturing • Processing • Materials management
	Embodied carbon <ul style="list-style-type: none"> • Building materials • Food • Purchases of goods and services
Sequestration:	
	Forest carbon storage <ul style="list-style-type: none"> • Plant nearly 100,000 acres by 2050
Resilience actions	
	<p>We must also help Portlanders become resilient to day-to-day impacts of climate change like excessive heat, wildfire smoke, power outages, flooding and more. Our actions must respond to the reality that Black, Indigenous and communities of color are being hit first and hardest by these events.</p>



WHAT'S NEXT:

Most of the priority actions in this plan will require City Council consideration. City bureaus and departments will approach Council with specific requests over the next three years.

City budget context

- Significantly challenging budget forecast with deep cuts across City bureaus:
 - Structural revenue issues (i.e., gas tax, parking fees, inflationary pressures)
 - New form of government
 - Reduced tax revenues (excluding Clean Energy Surcharge)
 - Opportunity to preserve and/or expand City's existing climate related programming
- Budget deadlines
 - Bureau budget submissions due February 12, 2024
 - Mayor's proposed budget released in April/May 2024
 - July 1, 2024 start of new fiscal year.
- Council actions
 - Approval of budget in June 2024
 - Amend the Climate Investment Plan for new proposals

Committee meeting schedule

- December 12 & 14: small group meetings
- January 18: small group meetings
- January 25: PCEF Committee meeting
 - Overview of first set of proposed allocations for additional climate investments
- **January 31: PCEF Committee meeting**
 - Continued discussion of first set of proposed allocations
- February 2: PCEF Committee meeting
 - Continued discussion and decision on first set of proposed allocations, discussion on process for second set of proposed allocations
- February 15: PCEF Committee meeting
 - Overview of second set of proposed allocations
- February 28: PCEF Committee meeting
- March 21: PCEF Committee meeting

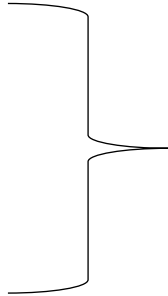
Process for 1st set of proposed allocations

Funding bureau projects – process

1. Leveraged Climate Emergency Workplan, bureau strategic plans and capital investment plans
2. Bureaus submitted projects
3. Short-list
4. CBO alignment
5. PCEF Committee

Bureau projects - methodology

1. Meaningful GHG reducing or sequestering (must have calculable GHG emissions impacts)
2. Demonstrable community benefits
3. General fund offsetting
4. "Shovel ready" i.e., in existing Capital Plan, no new projects
5. "Implementation Ready" i.e., existing program capacity/scope, no new programs



"to invest in climate action projects that support environmental justice and social, economic, and environmental benefits for all Portlanders, including the development of a diverse and well-trained workforce and contractor pool to perform work that reduces or sequesters greenhouse gases."

PCC 7.07.020 Policy and Purpose

Discussion on projects proposed for 1st set of allocations

PCEF Committee meeting on Friday, 2/2

Decision making context:

- PCEF Committee can approve, modify, or reject proposals
 - E.g., are there specific outcomes or accountability measures the Committee wants to see?
- Council can accept, amend, or reject Committee recommendations

Process for allocation #2 and future additional funds

- How does the Committee want to approach the 2nd allocation?

For each set of bureau allocations

- What do you like? / What raises concerns for this allocation specifically?

Portland Water Bureau

Expanding community-lead water leak repairs, advancing meaningful climate action projects for the community's essential water utility.

Project	Funding request	Total 5-Yr Allocation
Low-income Home Water Leak Repair Program Expansion	Annual	\$2,500,000 (\$500,000 per year)
Energy Efficiency – <ul style="list-style-type: none">• Energy Savings Performance Contract• EE at PWB's Operations facility (heat pump, controls)	One-time	\$1,000,000
Renewable Energy <ul style="list-style-type: none">• Micro hydro at Washington Park• Solar assessment and expansion	One-time	\$2,825,000

Bureau of Hydroelectric Power

Investment in energy efficiency and operational license renewal for the City's Hydroelectric power generation facilities, preventing the release of over 24,000 metric tons of CO₂e per year.

Project	Funding request	Total 5-Yr Allocation
Upgrades to critical electrical components	One-time	\$3,500,000
Costs for Federal Energy Regulatory Commission (FERC) Relicensing process	One-time	\$6,000,000
Reserve fund	One-time	\$2,000,000

Bureau of Environmental Services

The collection of BES projects and programs grow the city's climate adaptation and carbon sequestration primarily using nature-based solutions and blue-green infrastructure that supports watershed, community, and cultural resilience.

Project	Funding request	Total 5-Yr Allocation
Watershed, Natural Systems, Restoration and Biological Sciences	Annual	\$17,500,000 (\$3,500,000 per year)
Stormwater management, Blue-Green infrastructure, and Revegetation	Annual	\$53,000,000 (\$10,600,000 per year)
Private Property Trees	Annual	\$7,000,000 (\$1,400,000 per year)

Portland Housing Bureau

Incorporate clean energy components into PHB selected and funded rehabs for existing regulated low-income housing

Up to \$10 million of PCEF Funds / year

Increased energy efficiency and repairs in existing multifamily construction, benefitting households below 60% AMI. Preserves affordable housing from converting to market-rate.

Leverages existing PHB-PCEF collaboration

High need demonstrated in 2023 Preservation RFI for which all 7 applicants incorporated clean energy components



Portland Bureau of Transportation

Project	Request	Total 5-Year Allocation
Streetcar Replacement Replace streetcars to allow for system expansion and avoid service cuts	One-time	\$30,000,000
Active Transportation Operations Maintain 400 miles of bike lanes	Annual	\$10,000,000 (\$2,000,000 per year)
Small Active Transportation Capital Investment Program Funding for small investments in biking and walking	Annual	\$20,000,000 (\$4,000,000 per year)
Community Programming, Education, and Encouragement Replace funding for active transportation programs	Annual	\$15,000,000 (\$3,000,000 per year)
LED Streetlights LED streetlight conversion, replacement, and green-energy	Annual	\$37,000,000 (~\$7,400,000 per year)

Division of Asset Management

City Fleet and Portland'5

Project	Request	Total 5-Year Allocation
Increasing City electric vehicles and EV charging infrastructure (including mobile electric vehicle charging) Replace streetcars to allow for system expansion and avoid service cuts	One-time	\$25,000,000 (\$5,000,000 per year)
Arlene Schnitzer Concert Hall: Roof Replacement and Cooling Tower Replacement Project	One-time	\$1,000,000

Portland Parks & Recreation

These initiatives advance climate resilience, equitable urban forestry care, workforce diversity, and sustainable practices, collectively enriching community infrastructure and advancing a healthier, more inclusive Portland.

Initiative	Funding type	Total 5-Yr Allocation
Mt. Scott Community Center Renovation for Resiliency	One-time	\$6,200,000
Tree Protection and Care	Annual	\$100,000,000
Arborist Trainee Program	One-time (limited duration, 3 yrs)	\$840,000
Transition from Gas Powered Backpack Leaf Blowers to Battery Powered	One-time	\$1,600,000

BPS proposed allocation summary

Policy and technical assistance support for community-wide decarbonization strategies that advance equity and Climate Emergency Workplan goals.

Project	Funding request	Total 5-Yr Allocation
Community Based Renewable Energy	One-time (limited duration, 3 years)	\$750,000 (\$150,000 per year)
Decarbonize Transportation	Annual	\$1,000,000 (\$250,000 per year)
Eliminating Carbon from Buildings	One-time (limited duration, 3 yrs)	\$600,000 (\$200,000 per year)
City Operations Decarbonization	Annual	\$500,000 (\$100,000 per year)

Break

Meeting will reconvene at 7:25

Committee discussion

What does the Committee need to discuss before being able to make a recommendation on the first set of proposed allocations this Friday, 2/2/24?

Initial discussion on process for 2nd set of allocations

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A program by City of Portland,
Bureau of Planning and Sustainability
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