

Portland Clean Energy Community Benefits Fund (PCEF) Roundtable

Key Takeaways

Access to Capital Meetings #1 & #2

February 22, 2023, 12 p.m. – 3 p.m.

March 8, 2023, 10 a.m. – 12 p.m.

Key Takeaways

- Any investments to rental properties (including commercial properties) should be mindful of increasing the chances of displacement. We want to benefit the current tenants and support business stability, not make it more attractive for the next tenants.
- Generally, PCEF is not considering equity-stake or venture capital funding models, but are open to discussion to meet specific needs.
- Acknowledgement that the overall history of lending is fraught with bias and inequities. “Affordable” access to capital doesn’t address when these funds are unavailable to certain people. Alternative names for this funding area will be considered.
- The further the funds get from communities on the frontline of Climate Change, the more prescriptive PCEF should be in their requirements.
- Finding the right tools to moving the needle on carbon reduction while also benefitting priority populations will be key.

Existing Conditions

- Many existing programs don’t cover the other improvements needed to upgrade to solar etc. For example, many homes first need to upgrade their electrical wiring and shore up their roof.
- There aren’t as many priority-population contractors out there, which means PCEF would have to build up these businesses from the ground and help support with technical assistance, not just funding.
- Small construction loans are hard to get from regular banks because they are seen as risky (meaning banks don’t make a profit on them) so even with current interest rates it might be the only thing available.
- HOA’s are hard to provide loans to because they often don’t ‘own’ the property so there are no assets to claim.
- Small businesses are generally more focused on revenue generation than investment in energy savings, as utilities are not a major cost in the big picture. Transportation-related fuel costs often are higher.

Desired State

- It should be easier for people and businesses to know what programs they qualify for at a Federal, State, and local level. All of these incentives should be accessible in one database that is maintained by all the levels of government.
- Business and homeowners should be educated on all manner of weatherization for full energy efficiency benefits.
- By helping small businesses like convenience stores with energy efficient appliances, upgraded lighting, better coolers, etc., we can allow them to provide more fresh food which will raise their revenue and prevent residents from driving as much and relying on large chain stores. This will reduce the environmental footprint at every level.
- Contractors doing business on PCEF projects should have resources to scale up or buy electric vehicles for their businesses.

Barriers

- Requirement to “demonstrated additionality” could prevent existing work that is proven to be effective from receiving funds and lead to new, unproven efforts to be funded instead.
- Minority & Women Owned Business Enterprise (MWBE) certification can be a barrier for small businesses to get.
- Energy efficiency isn’t a high priority for businesses. Most businesses just want to grow revenue and consolidate existing loans. There needs to be messaging over why this is important and how much money you could save to create demand.

Key opportunities

- PCEF could be a gamechanger by filling in the gaps that existing programs leave, especially by funding deferred maintenance needs.
- PCEF has the opportunity to radically redefine lending structures if they are not requiring the funds be paid back.
- Infrastructure to do the tracking is huge investment for organizations whose job is otherwise engagement/community organizing. Partnerships will be very important.
- The landscape will look different in coming years as federal money for energy efficiency, renewables, and EVs comes in. Remaining flexible on how PCEF can fill in gaps will be helpful.