

City of Portland, Oregon

## FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Michael Armstrong		2. Telephone No. 503.823.6053	3. Bureau/Office/Dept. Bureau of Planning and Sustainability
4a. To be filed (date) June 17, 2010	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to FPD Budget Analyst: June 14, 2010	

**1) Legislation Title:**

\*Authorize an Intergovernmental Agreement with the Oregon Department of Energy to accept a grant of \$2,000,000 from the State Energy Program to provide funding for Clean Energy Works Oregon. (Ordinance)

**2) Purpose of the Proposed Legislation:**

Funding from the Oregon Dept of Energy's State Energy Program will allow Portland, in partnership with the State of Oregon and other local and regional partners, to implement clean energy projects to reduce energy use in homes, businesses, and other appropriate sectors and to create jobs. Like the recent acceptance of a \$20 million federal grant, this additional \$2 million will enable the City to build on and expand the existing Clean Energy Works model, bringing the pilot program to scale and expanding the program to other jurisdictions in the Metro Area, as well as rural Oregon communities. The funding will also enable the City to pursue innovative program models for financing energy efficiency projects for large commercial buildings, including institutions.

**3) Revenue:**

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

The ordinance will result in the City receiving \$2 million.

**4) Expense:**

What are the costs to the City as a result of this legislation? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

All City costs are expected to be covered by the related \$20 million federal grant award, including staffing and administrative costs. No local match is required.

**Staffing Requirements:**

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?

No.

6) Will positions be created or eliminated in future years as a result of this legislation?

No.

**7) Change in Appropriations**

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount
217001	PNSD000002	521100	CDTSEG00000000GC		tbd	tbd	\$2,000,000
217001	PNSD000002	441100	CDTSEG00000000GC		tbd	tbd	\$2,000,000

Celia Heron, Operations Manager

 APPROPRIATION UNIT HEAD (Typed name and signature)
 



City of Portland  
Bureau of

## Planning and Sustainability

Sam Adams, Mayor  
Susan Anderson, Director

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1. **Ordinance Title:** \*Authorize an Intergovernmental Agreement with the Oregon Department of Energy to accept a grant of \$2,000,000 from the State Energy Program to provide funding for Clean Energy Works Oregon.

2. **Contact Name, Department, & Phone Number:** Michael Armstrong, Bureau of Planning and Sustainability, 503 823-6053

3. **Requested Council Date:** June 23, 2010

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**Consent Agenda Item:** X                      or                      **Regular Agenda Item:** \_\_\_\_

***Explain why this DOES or does not require a presentation or Council discussion:***

This is a significant grant award to the City for the Clean Energy Works Oregon program. However, Council just recently (June 9) heard considerable testimony on the program in conjunction with an ordinance to accept a \$20 million federal grant award, and this grant provides further funding for the same program.

**Emergency Item (answer below):** X   or   **Non- Emergency Item:**

***If emergency, why does this need to take effect immediately:***

This grant is through the Oregon Department of Energy's State Energy Program and passes through funding from the American Recovery and Reinvestment Act. The federal government has directed the state of Oregon to obligate all funds no later than June 25, 2010.

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4. **History of Agenda Item/Background:**

Since fall 2008, Portland has been working with utilities, labor organizations, and the Energy Trust of Oregon to develop a program that will provide homeowners with easy access to low-interest financing for energy improvements to their homes. The program responds to the immediate need both to create local jobs and to respond to the rising urgency of climate change.

The Clean Energy Works Portland program is a major partnership involving the City, the Energy Trust of Oregon, Shorebank Enterprise Cascadia, NW Natural, Pacific Power, PGE, Worksystems, Inc., and Multnomah County, among others.

On June 9, Council accepted a \$20 million grant award through the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant (EECGB). This grant is to expand Clean Energy Works both in the Portland metro region and statewide, linking efforts by the City, state of Oregon, other local governments, and the many other partners identified above.

The current proposed ordinance authorizes the City to enter into an IGA with the Oregon Department of Energy to bring \$2 million in additional funding to the Clean Energy Works Oregon program.

The additional funding does not require a City match.

**5. Purpose of Agenda Item:**

Authorize the City to enter into an IGA to accept a \$2 million grant award from the Oregon Department of Energy.

**6. Legal Issues:**

None.

**7. What individuals or groups are or would be opposed to this ordinance? Supportive?**

Opposition: None known.

Supportive: Energy Trust of Oregon; local construction and architecture firms; training and workforce programs (IBEW, SEIU, AGC, others); investors and foundations (Umpqua, Shorebank Enterprise, Meyer Memorial Trust); utilities (PGE, Pacific Power, Northwest Natural); and business associations (Oregon Restaurant Association).

**8. How Does This Relate to Current City Policies?**

This grant supports City policy related to jobs creation, economy development, the recently adopted climate action plan, including carbon reduction and energy efficiency improvements in residential, commercial, industrial, and public buildings, and capitalizing on local, regional, and state partnership opportunities.

**9. Community Participation:**

The City is engaged with multiple community partners to develop the grant application, secure leveraged funding, and to build on the existing Clean Energy Works model.

**10. Other Government Participation:**

Portland Development Commission, State of Oregon Department of Energy, Clackamas County, Multnomah County, and other local jurisdictions are potential partners in applying for the funding and are actively working with the City in developing the grant proposal.

**11. Financial Impact:**

The City will receive \$2 million in FY 10-11 to support program activities over the next three years.