

**FINANCIAL IMPACT STATEMENT
For Council Action Items**

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

1. Name of Initiator Andria Jacob		2. Telephone No. 503.823.7616	3. Bureau/Office/Dept. Bureau of Planning and Sustainability
4a. To be filed (date) June 23, 2010	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		Date Submitted to FPD Budget Analyst: June 23, 2010

1) Legislation Title:

* Authorize a Grant Agreement with Clean Energy Works Oregon, Inc. to establish the business model for expanding the Clean Energy Works Portland pilot program to multiple jurisdictions in Oregon. (Ordinance)

2) Purpose of the Proposed Legislation:

The City has received an American Recovery and Reinvestment Act (ARRA) grant of \$20 million from the U.S. Department of Energy to expand the Clean Energy Works Portland pilot into a statewide program called Clean Energy Works Oregon. City Council passed Resolution No. 36792 on June 9, 2010 authorizing the establishment of a new non-profit organization to expand Clean Energy Works Portland under federal funding. The non-profit Clean Energy Works Oregon, Inc. (CEWO) was incorporated in the State of Oregon on June 11, 2010. CEWO's purpose is to integrate financial services and program delivery for energy efficiency retrofits statewide.

This grant agreement provides funding to CEWO to establish the business model for expanding the Clean Energy Works Portland pilot program to multiple jurisdictions in Oregon, including Klamath and Lake Counties, Hood River County, City of Astoria, City of Gresham, City of Lake Oswego, City of Hillsboro and Clackamas County. CEWO will work in partnership with these jurisdictions, as well as energy efficiency program delivery partners, utilities and ShoreBank Enterprise Cascadia, the Portland pilot fund manager. CEWO will also develop an initial demand creation strategy, clarify workforce standards and benefits and set up a base of operations in Portland.

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.

No.

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)

The grant agreement commits the City to providing \$193,000 to Clean Energy Works Oregon, Inc.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No

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

No

7) Change in Appropriations (Please reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

These expenses are in BPS' FY09-10 budget.

Celia Heron, Operations Manager	<i>Celia Heron / bw</i>
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APPROPRIATION UNIT HEAD (Typed name and signature)



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Bureau of

Planning and Sustainability

Sam Adams, Mayor
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1. **Ordinance Title:** *Authorize a Grant Agreement with Clean Energy Works Oregon, Inc. to establish the business model for expanding the Clean Energy Works Portland pilot program to multiple jurisdictions in Oregon. (Ordinance)
2. **Contact Name, Department, & Phone Number:** Andria Jacob, Bureau of Planning and Sustainability, 503 823-7616.
3. **Requested Council Date:** June 30, 2010

Consent Agenda Item: or **Regular Agenda Item:**

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

Council just recently (June 9) heard considerable testimony on the Clean Energy Works Oregon program in conjunction with Ordinance No. 183876 accepting a \$20 million federal grant award and with Resolution No. 36792 establishing a new non-profit organization to expand Clean Energy Works Portland under federal funding. This ordinance authorizes funding for Clean Energy Works Oregon to begin the business of expanding the pilot program statewide.

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

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

The grant agreement is funded by American Recovery and Reinvestment Act (ARRA) funds. The terms and conditions of ARRA funds require their obligation and expenditure as quickly as possible. The City should not delay in obligating ARRA funds.

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 fund Clean Energy Works Oregon to establish the business model for expanding Clean Energy Works Portland to multiple jurisdictions in Oregon, including Klamath and Lake Counties, Hood River County, City of Astoria, City of Gresham, City of Lake Oswego, City of

Hillsboro and Clackamas County. CEWO will work in partnership to define and delineate contractual roles and responsibilities with these jurisdictions, as well as with energy efficiency program delivery partners Energy Trust of Oregon and Conservation Services Group, Inc., utilities and financial partners.

CEWO will also develop an initial demand creation strategy, clarify workforce standards and benefits and set up a base of operations in Portland.

5. Purpose of Agenda Item:

Authorize the City to enter into a grant agreement with Clean Energy Works Oregon.

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 agreement 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 provide Clean Energy Works Oregon with \$193,000. Funds are included in BPS' FY 09-10 budget.