

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT 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. BPS
4a. To be filed (date): Feb 29, 2012	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: Feb 21, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

*Amend grant agreement with Clean Energy Works Oregon, Inc. to provide an additional \$1 million in State Energy Program (SEP) funding from the Oregon Department of Energy (Ordinance; amend Contract 32000466)

2) Purpose of the Proposed Legislation:

The City of Portland (City) was successfully awarded and additional \$1 million in American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) funds from the Oregon Department of Energy (Department). The City will sub-grant these funds to Clean Energy Works Oregon. This is Amendment No. 2 to the grant agreement (#32000466) between the City and Clean Energy Works Oregon.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense?

The grant agreement commits the City to providing \$1,000,000 to Clean Energy Works Oregon, Inc. These funds have already been accepted from the State of Oregon Department of Energy and do not represent an additional outlay by the City. Funds are available in the FY 11-12 budget for the Bureau of Planning and Sustainability, Cost Center PNSD000002, Cost Object PN00170002, Account 529001.

6) Staffing Requirements:

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?
No
- Will positions be created or eliminated in *future years* as a result of this legislation?
No

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Funds are appropriated in an accompanying ordinance that accepts the SEP Grant extension.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

PUBLIC INVOLVEMENT

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8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ **YES:** Please proceed to Question #9.

☒ **NO:** Please, explain why below; and proceed to Question #10.

This is a routine and mandatory administrative action for Council to accept funds for a continuing authorized program.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

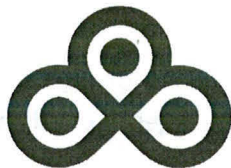
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is planned for this council item. The creation of Clean Energy Works Oregon had extensive public involvement and these funds complement the work to be completed under the current grant agreement with CEWO.

Susan Anderson

Michael Armstrong *Michael Armstrong*

BUREAU DIRECTOR (Typed name and signature)



185164

Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

MEMO

DATE: February 21, 2012

TO: Mayor Sam Adams

FROM: Susan Anderson, Director 

1. **Ordinance Title:**

*Amend grant agreement with Clean Energy Works Oregon, Inc. to provide an additional \$1 million in State Energy Program (SEP) funding from the Oregon Department of Energy (Ordinance; amend Grant Agreement 32000466)

2. **Contact:** Andria Jacob, Program Manager, 823-7616

3. **Requested Council Date:** February 29, 2012

4. ☒ **Consent Agenda Item** ☐ **Regular Agenda Item**

☒ **Emergency Item** (explain below)

☐ **Non-Emergency Item**

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.

5. **Purpose of Agenda Item:**

The City of Portland (City) was successfully awarded an additional \$1 million in American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) funds from the Oregon Department of Energy (Department). The City will sub-grant these funds to Clean Energy Works Oregon. This is Amendment No. 2 to the grant agreement (#32000466) between the City and Clean Energy Works Oregon.

6. **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



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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, Enterprise Cascadia, NW Natural, Pacific Power, PGE, WorkSystems, Inc., and Multnomah County, among others.

On June 9, 2010 by Ordinance 183857, Portland City Council accepted a \$20 million grant award through the U.S. Department of Energy's Energy Efficiency and Conservation Block Grant (EECGB). On June 30, 2010, by Ordinance 183956, City Council authorized Agreement No. 32000387 with nonprofit Clean Energy Works of Oregon (CEWO) to provide \$193,000 to develop a business model for operation of a program for energy efficiency retrofits and job creation in Oregon. On October 1, 2010, by Ordinance No. 184118, Council authorized Agreement No. 32000466 to provide \$17,807,000 to CEWO to implement the program.

CEWO's objective is to replicate the successes of the Portland pilot 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.

Key functions of CEWO include aggregating, managing and deploying capital targeted for streamlined energy-efficiency retrofits across Oregon; developing consumer demand for retrofits; building capacity to do the work; ensuring quality control; integrating work standards and community benefits represented in the pilot community workforce agreement and interacting with secondary market buyers.

Clean Energy Works Oregon intends to deliver the following over the three-year grant period:

- 1,300 jobs created or retained
- 6,000 home energy retrofits
- 3.5 million square feet of commercial buildings retrofit
- energy savings of more than 300,000 MBTUs
- measure-life carbon dioxide reductions of 200,000 metric tons

On June 23, 2010, by Ordinance 183922, City Council accepted an award of \$2 million in American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) funds from the Oregon Department of Energy (Department).

On Feb 8, 2012 the Department awarded an additional \$1 million in SEP funds to the City of Portland to further the current work scope.

This contract amendment provides these additional SEP funds to CEWO to further support and leverage the financing of energy efficiency upgrades across Oregon. CEWO will work in partnership with rural jurisdictions across the state, as well as energy efficiency program delivery partners, utilities and financial institutions to fulfill the objectives of and comply with the terms and conditions of the grant agreement.

SEP funds will be used to reduce the costs of doing energy efficiency projects for consumers and to support staffing (Energy Advisors) that provides customer service, quality control and energy education for program participants.

7. Legal Issues: None.



8. What individuals or groups are or would be supportive or opposed to this action?

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

Portland Development Commission, State of Oregon Department of Energy, Clackamas County, Multnomah County, and other local jurisdictions were partners in the City's successful ARRA grant proposal.

9. How does this relate to current City policies?

This grant agreement supports the Portland Economic Development Strategy, the 2009 Climate Action Plan and the City's emerging objectives around social equity.

