

Portland, Oregon

### FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Kyle Diesner		2. Telephone No. (503) 823-4166	3. Bureau/Office/Dept. Planning and Sustainability
4a. To be filed (hearing date):  February 13, 2013	4b. Calendar (Check One)  Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: January 31, 2013
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:**

\*Authorize grant agreements of up to \$30,000 for energy efficiency improvements in privately – owned small commercial buildings, using up to \$340,000 in federal grant funding. (Ordinance)

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

This Ordinance authorizes the Bureau of Planning and Sustainability to enter into grant agreements of up to \$30,000 for up to \$340,000 to provide additional incentives to the private market to help increase the number of energy efficiency improvements in small commercial buildings. These grants will be paid with U.S. Department of Energy (US DOE) ARRA funding.

**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)?**

- City-wide/Regional
- Northeast
- Northwest
- North
- Central Northeast
- Southeast
- Southwest
- East
- Central City

#### 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.

The City has already been awarded the funding from the US DOE and budgeted for these costs, so this legislation will not generate additional revenue. If this legislation is approved by Council, the City will spend the funding as per the grant agreement with US DOE. If the legislation is not approved, the grant funding will be returned to US DOE and the City will lose current revenue.

**5) Expense:** What are the costs to the City as a result of this legislation? What is the source of funding for the expense?

There would be no costs to the City for approving this legislation, as the project is fully funded though a grant from the US DOE.

**6) Staffing Requirements:**

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

*(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.)*

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

PUBLIC INVOLVEMENT

**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.

The Bureau of Planning and Sustainability worked with local energy efficiency contractors, the Energy Trust of Oregon, and numerous experts in the field of commercial energy efficiency to develop the proposed project approach. If this legislation is approved by Council, a portion of the US DOE grant funding will be utilized for targeted outreach to underrepresented small businesses in need incentives for energy efficiency improvements. The funding will directly support public involvement with contractors, businesses associations and M/W/ESB firms, but the general public has not been involved in developing the project approach to date. Marketing and outreach efforts will be focused on historically underserved communities, though the offer is available city-wide.

**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):**

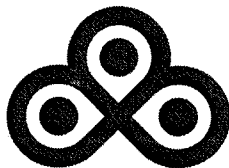
**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.**

This project will require future public involvement in order to spend the full funding before the end of the US DOE grant term. As noted above, we will be conducting outreach to energy efficiency contractors and underserved Portland small businesses to promote this opportunity.

Susan Anderson



APPROPRIATION UNIT HEAD (Typed name and signature)



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

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## Council Transmittal Memo

**DATE:** January 31, 2013  
**TO:** Mayor Charlie Hales and Members of City Council  
**FROM:** Susan Anderson, Director

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1. **Ordinance / Resolution Title:**  
\*Authorize grant agreements of up to \$30,000 for energy efficiency improvements in privately-owned small commercial buildings, using up to \$340,000 in federal grant funding. (Ordinance)
  2. **Contact:** Kyle Diesner, Clean Energy Policy Analyst, (503) 823.4166
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3. **Council Date:** February 13, 2013

4.  Consent Agenda Item     Regular Agenda Item  
 Emergency Item (explain below)     Non-Emergency Item

This legislation is being considered as an emergency because the originating American Reinvestment and Recovery Act (ARRA) grant requires that funds be fully expended by September 30, 2013 and the public interest would be served by proceeding immediately.

5. **Purpose of Agenda Item:** This Ordinance authorizes the Bureau of Planning and Sustainability to enter into grant agreements of up to \$30,000 for up to \$340,000 to provide additional incentives to the private market to help increase the number of energy efficiency improvements in small commercial buildings. These grants will be paid with U.S. Department of Energy (US DOE) ARRA funding.
6. **History of Agenda Item/Background:**  
The Portland Multnomah County carbon inventory indicates that about 25% of all carbon emissions and 22% of all energy use comes from commercial buildings. 95% of all commercial buildings in Portland are less than 50,000 sq. ft., falling into the



category targeted by this program. Existing energy efficiency incentive programs target only the largest commercial buildings or primarily focus on food service and lighting. The intention of this program offer is to target smaller commercial businesses that have been historically underserved by existing energy efficiency incentive programs.

In 2009 the City received a \$20 million American Reinvestment and Recovery Act (ARRA) grant from the US DOE to expand the Clean Energy Works Portland residential pilot to a statewide program. The US DOE grant Statement of Project Objectives included the goal of creating a small commercial program offering to help induce deeper energy efficiency improvements in this critical underserved market.

BPS explored a variety of options for how best to deploy the US DOE funding. It became apparent that given the conditions of the ARRA funding, time limits on grant spending and the nature of our target audience, the funding would best be expended as grants given directly by the City.

7. **What individuals or groups are or would be supportive or opposed to this action?**  
Opposed: None.  
Supportive: Energy Trust of Oregon, energy efficiency contractors, small business advocates and associations.
8. **How does this relate to current City policies?**

Energy Efficiency incentives for small commercial businesses support the Sustainable City Principles, the City's 2009 Climate Action Plan and the 2009 Economic Development Strategy.

