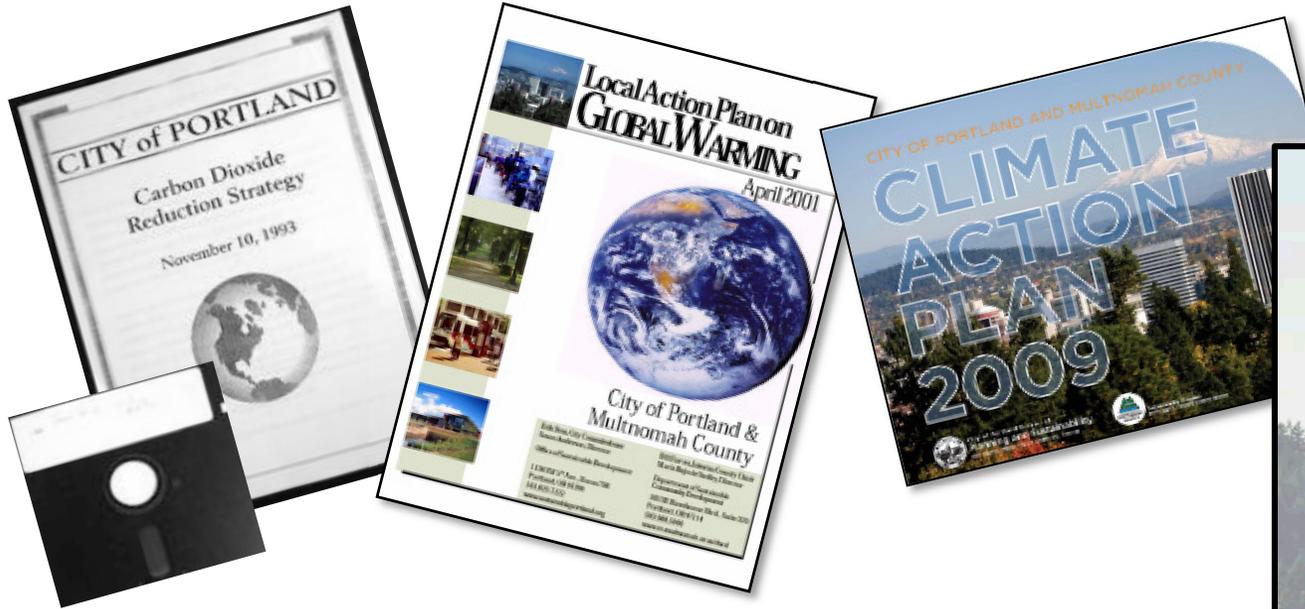




# Local Climate Action:

A plan for an equitable, prosperous,  
healthy way forward

# LEGACY OF CLIMATE ACTION

The cover of the 2015 Climate Action Plan features a photograph of the Astoria-Megler Bridge over a river, with a forested hillside in the background. The title 'CLIMATE ACTION PLAN' is written in large, bold, blue letters with a white outline. At the bottom, a dark blue banner contains the text 'JUNE 2015 LOCAL STRATEGIES TO ADDRESS CLIMATE CHANGE' and the logos for the City of Portland and Multnomah County.

CLIMATE ACTION PLAN

JUNE 2015 LOCAL STRATEGIES TO ADDRESS CLIMATE CHANGE



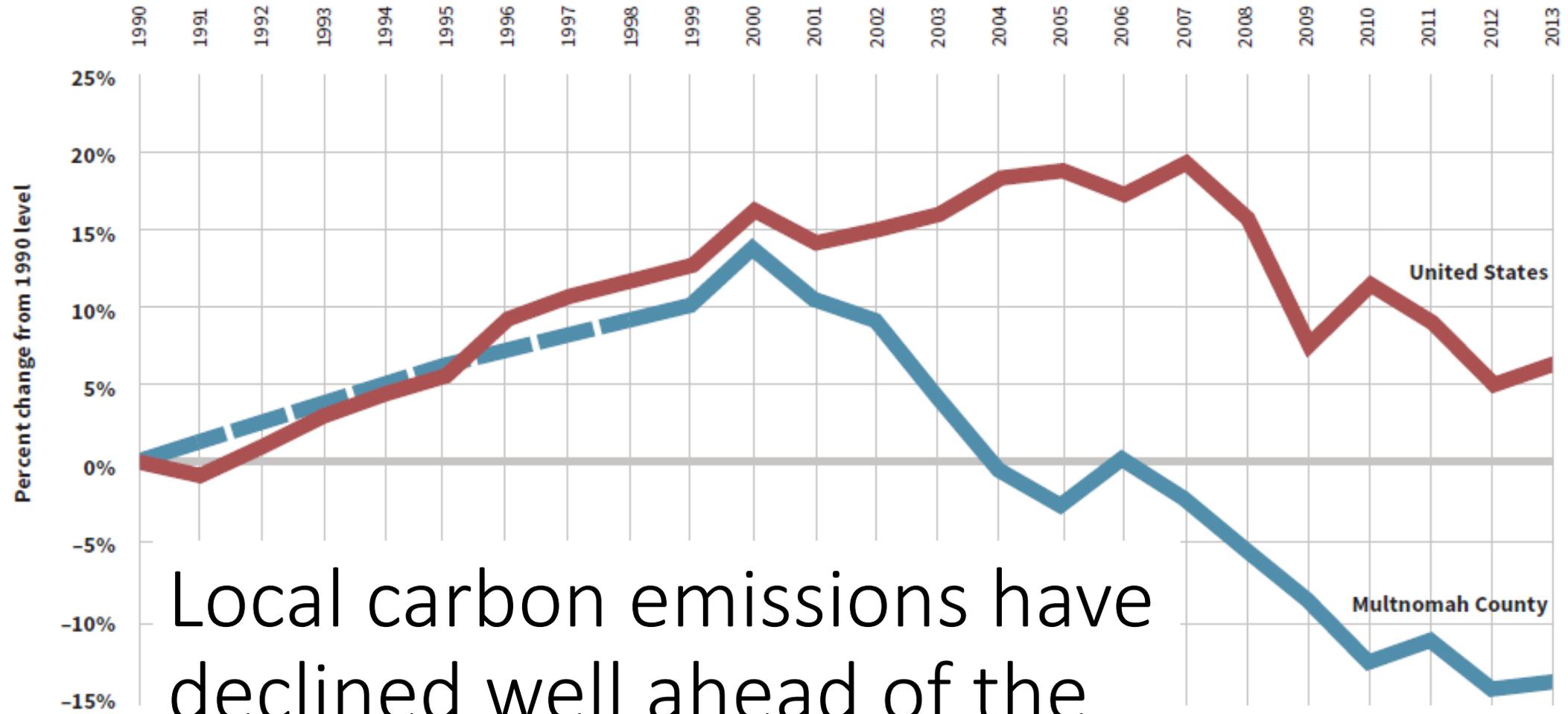


- 11% less energy per person (vs 1990)
- 29% fewer gallons of gasoline per person (vs 1990)
- 6% people bike to work and school, 9 times the national average
- 70% recycling rate – one of the highest in the nation
- 100 million rides on transit each year
- 5,600 all electric cars in Oregon – 1,600 of them here



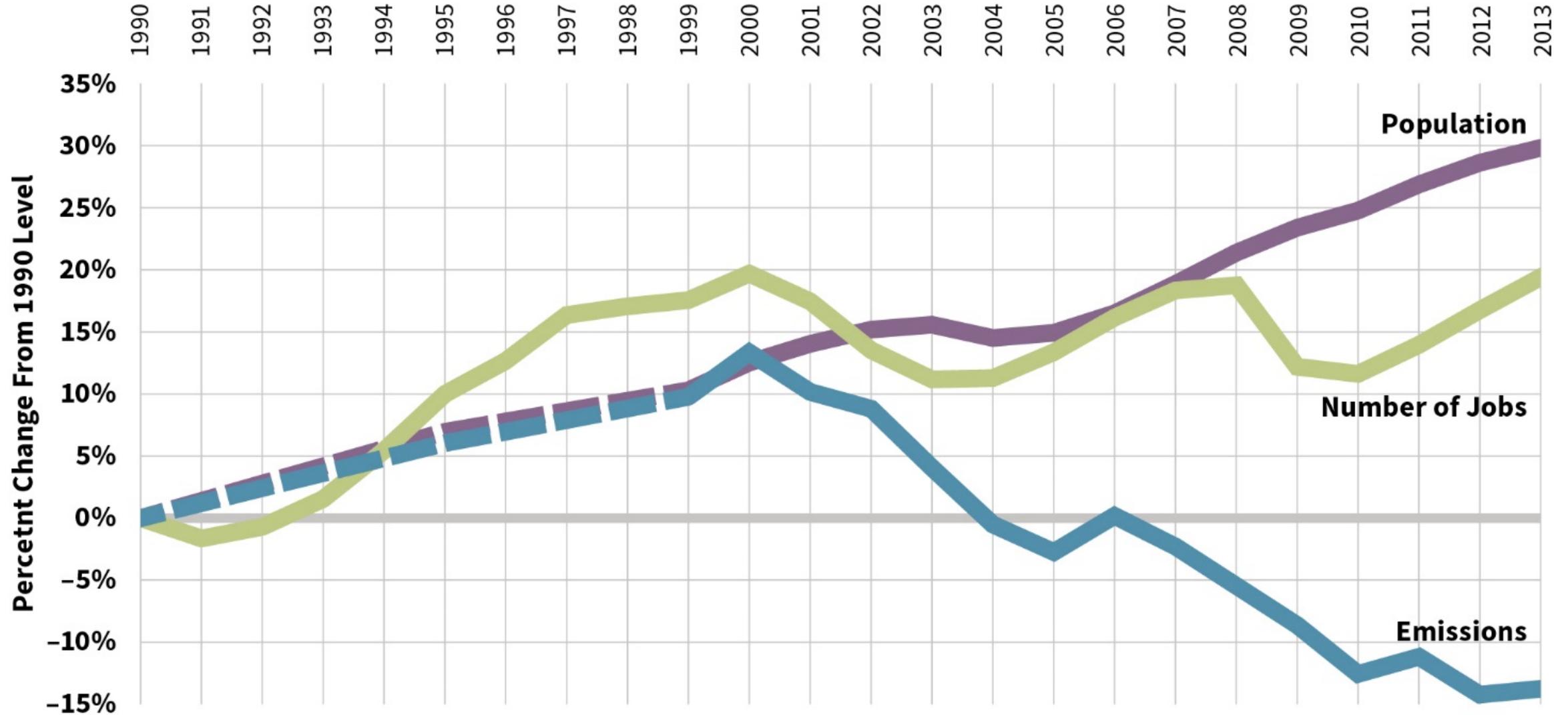
- 3,000 solar systems installed
- 250 green building projects
- ~400 ecoroofs, covering nearly 20 acres of roofs
- 7,400 acres cleared of invasive plants
- 3 million new trees and shrubs (since 1996)
- \$6 million saved each year on the City and County's energy bills

# WE'RE ON OUR WAY

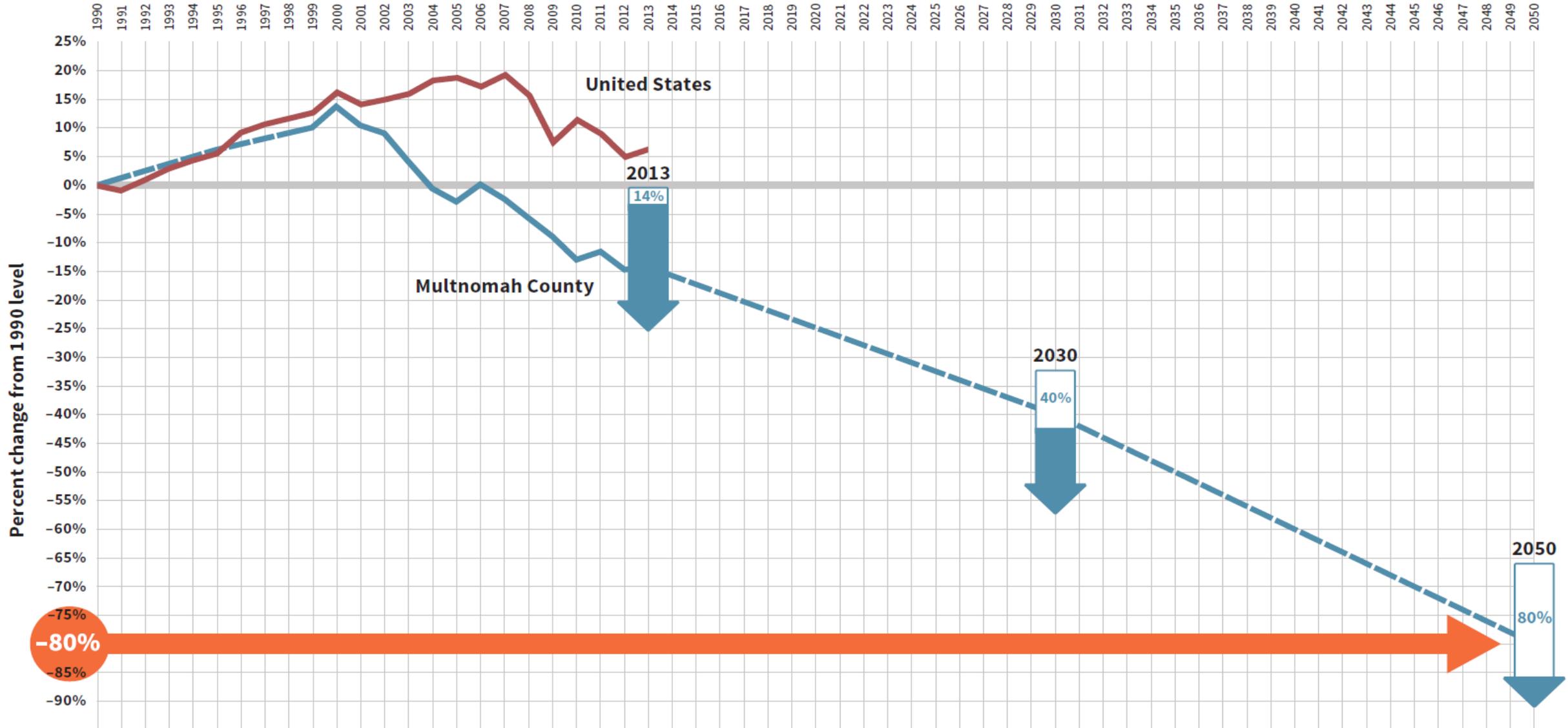


Local carbon emissions have declined well ahead of the national trend

# POPULATION AND JOBS UP, CARBON DOWN



# BUT WE STILL HAVE WORK TO DO



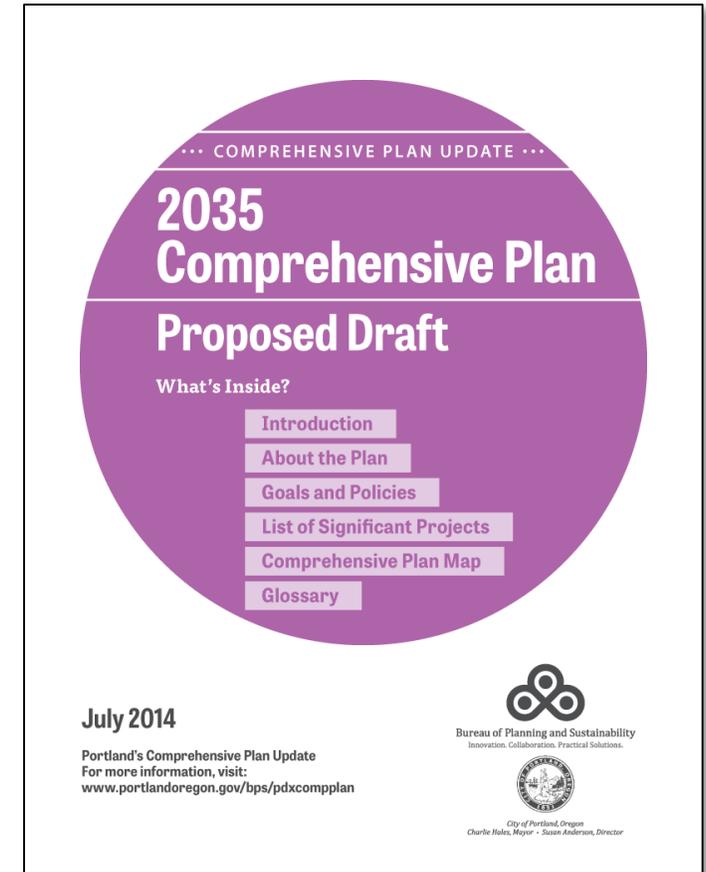
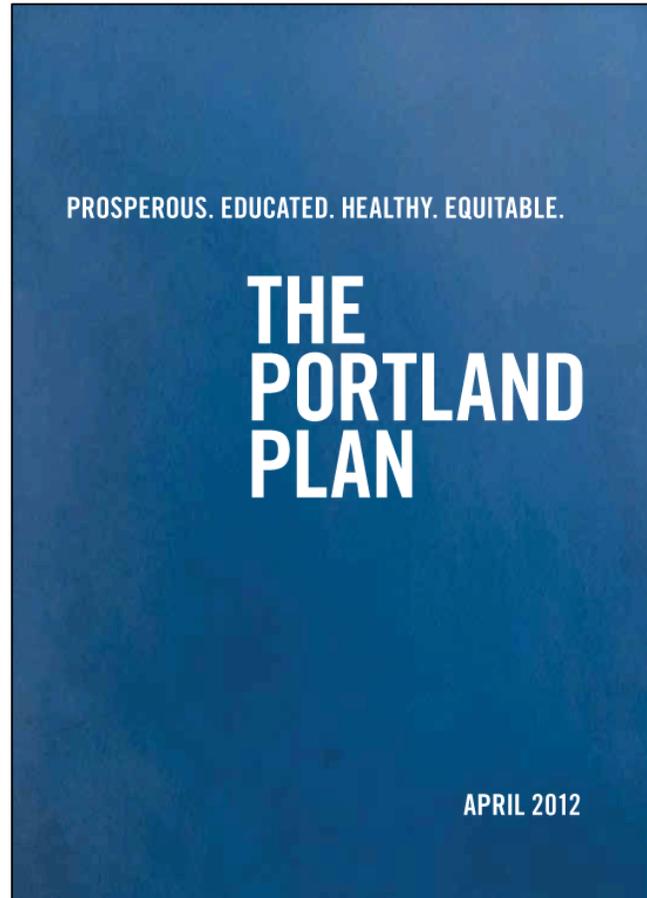
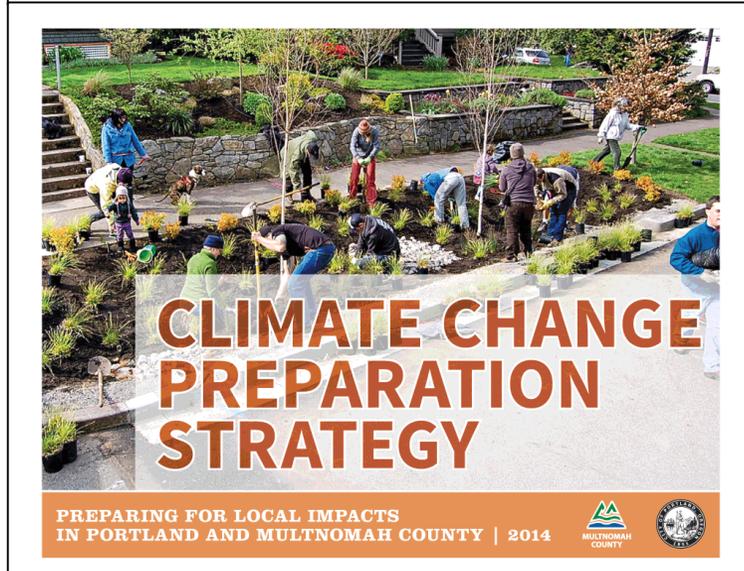
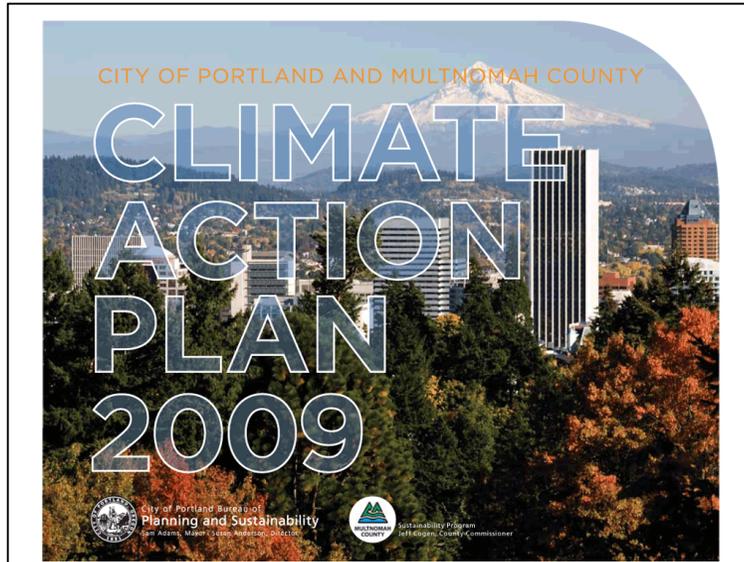
# DEVELOPMENT PROCESS: Guidance



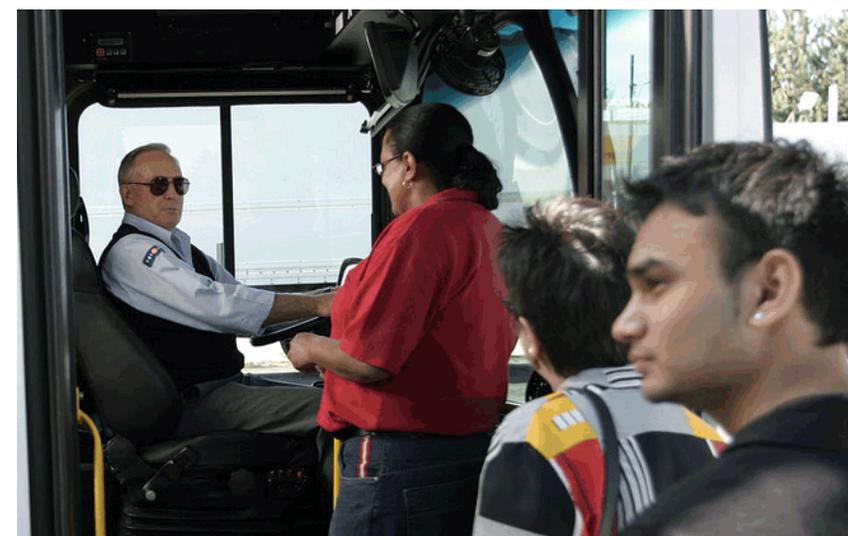
- Steering Committee
- Equity Work Group

- City and County staff
- Ad hoc advisory groups

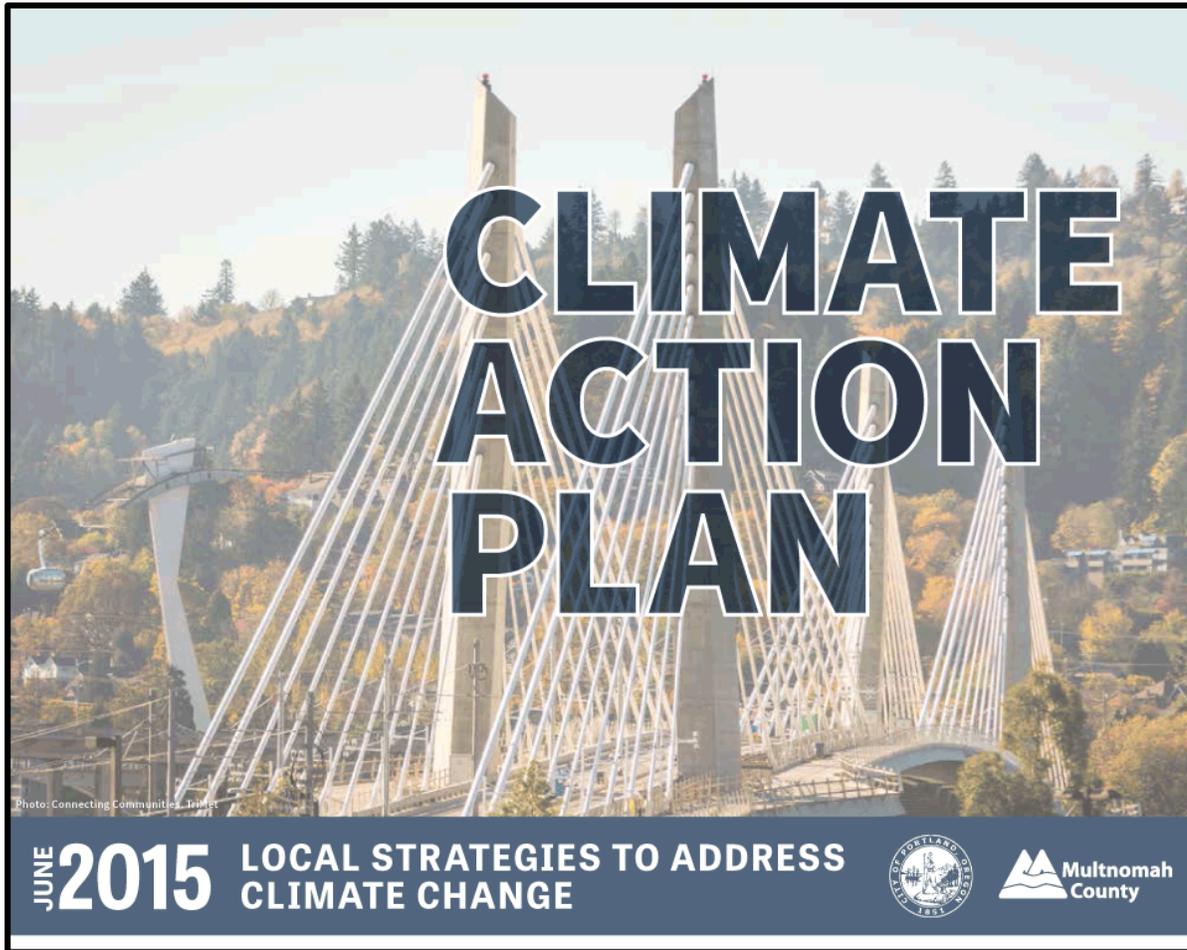
# DEVELOPMENT PROCESS: Policy Direction



# HEALTHY, PROSPEROUS, RESILIENT, EQUITABLE

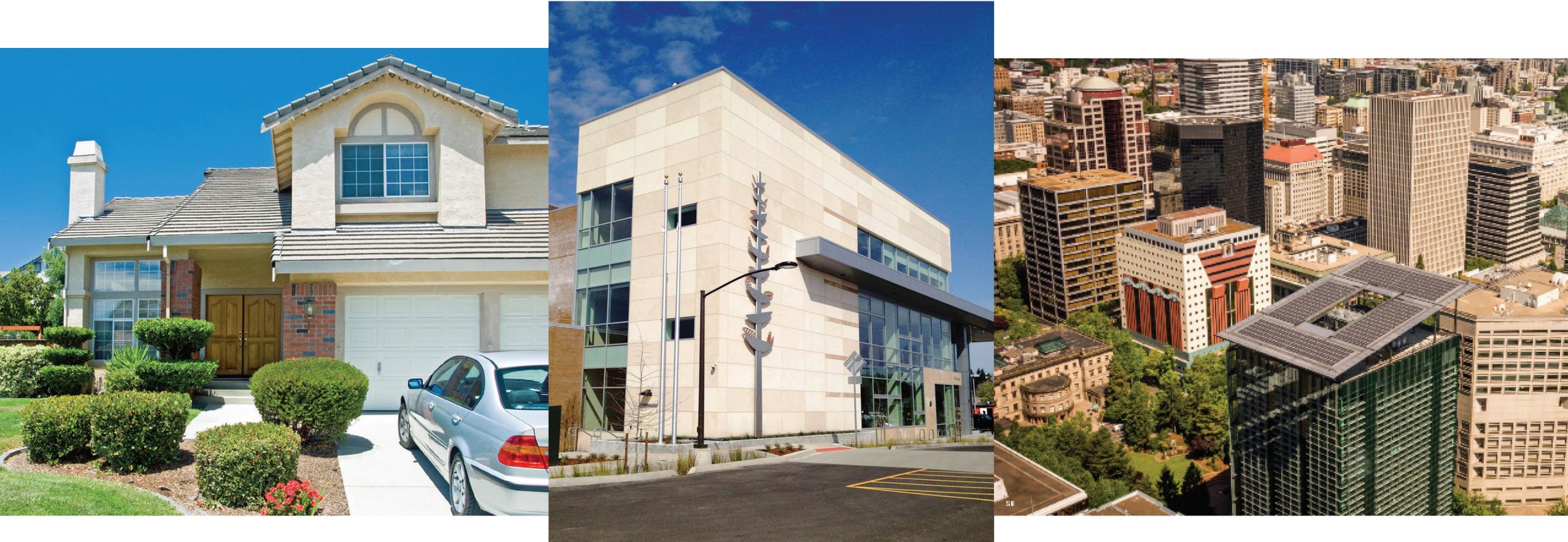


# ROADMAP TO CUT CARBON 80% BY 2050



- Buildings and energy
- Urban form and transportation
- Consumption and waste
- Food
- Natural systems
- Climate change preparation
- Engagement and outreach
- Government operations

# BUILDINGS AND ENERGY



40% of local carbon emissions

# BUILDINGS AND ENERGY

- 
- Energy performance reporting
  - Community solar
  - Price on carbon
  - Energy use in new buildings
  - Establish a fossil fuel export policy

# URBAN FORM and TRANSPORTATION



40% local carbon emissions

# URBAN FORM and TRANSPORTATION



- Stable, long-term funding
- Healthy, connected neighborhoods
- Fuel cars with biofuels, electricity and natural gas

# CONSUMPTION and SOLID WASTE



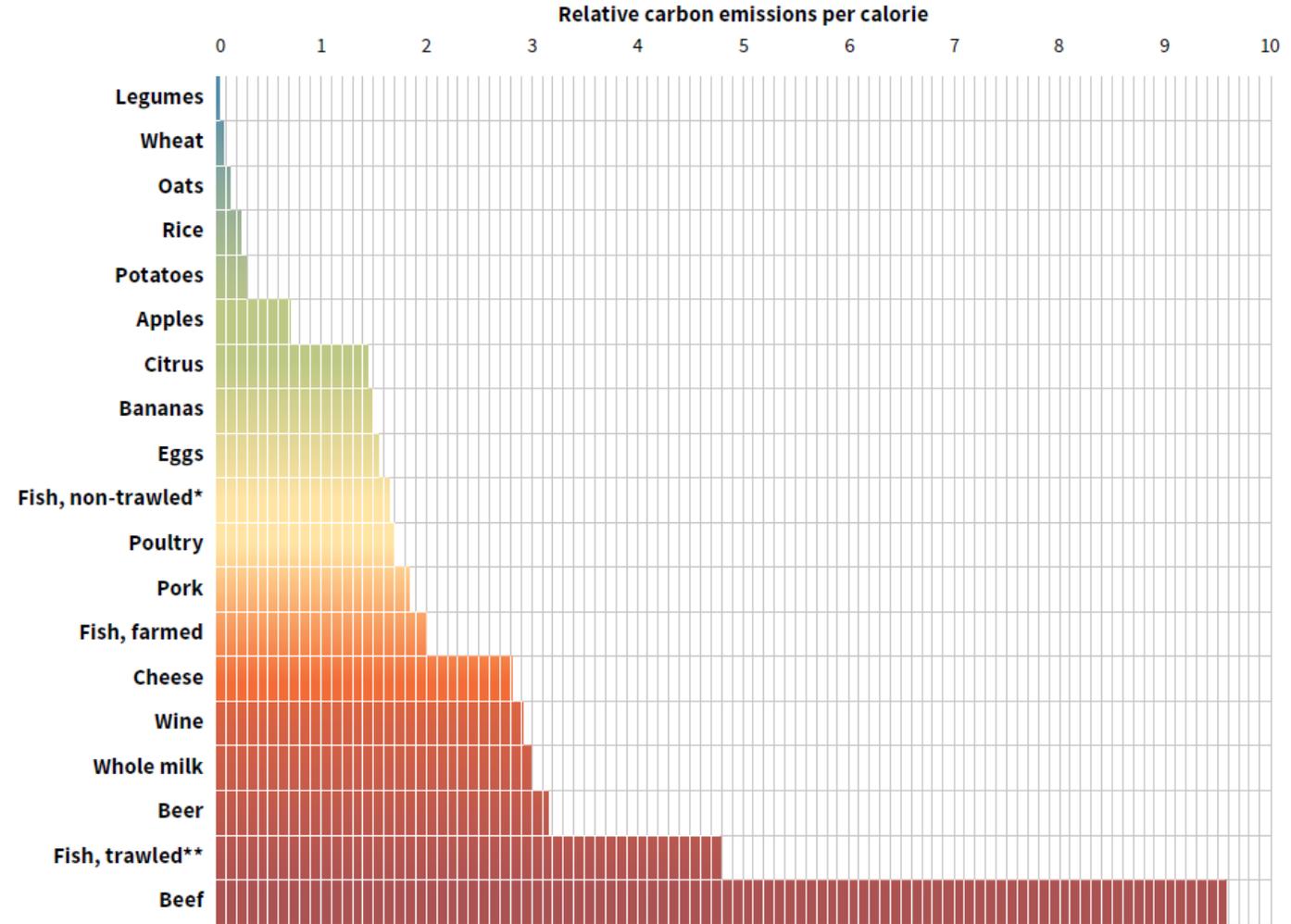
The things we buy matter

# CONSUMPTION and SOLID WASTE



- Carbon and consumption choices
- Recycling and composting in apartments
- Repair, reuse, rent, share, use durable goods

# FOOD and AGRICULTURE



What we eat matters

# FOOD and AGRICULTURE



- Encourage diets rich in fruits and vegetables
- Access and skills to grow healthy food
- Reduce food waste

# URBAN FOREST and NATURAL SYSTEMS



- Plant more trees and keep them healthy
- Remove pavement and create more space for vegetation

# CLIMATE CHANGE PREPARATION



- Hotter, drier summers
- Warmer winters with intense rain events

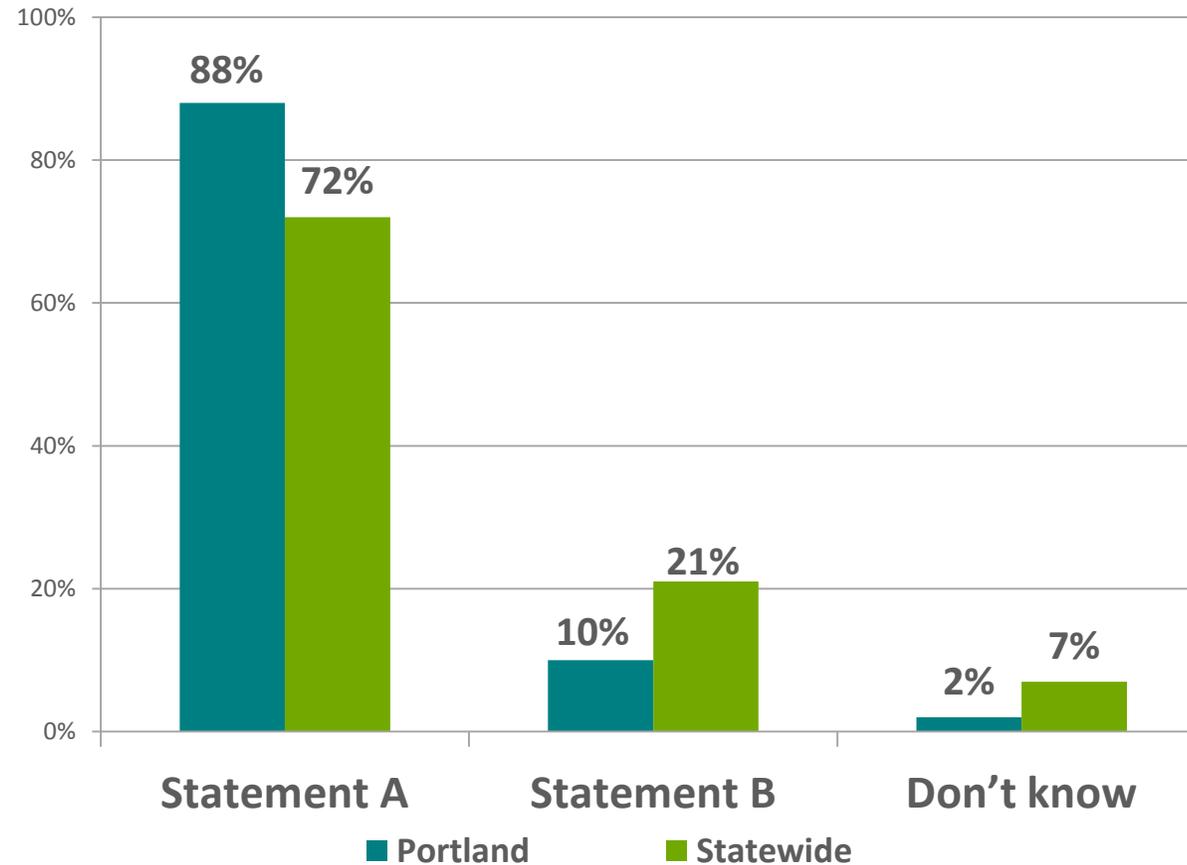


# ENGAGEMENT and OUTREACH



- Deepen involvement
- Support community-based projects
- Share cost-effective, healthy solutions

## Which statement comes closest to your view?



**Statement A:**  
Climate change requires us to change our way of life such as driving less or living more simply

**Statement B:**  
If climate change becomes a problem we can deal with it later



*Values & Beliefs*  
PROJECT



PROJECT SPONSORS



RESEARCH PARTNERS



# GOVERNMENT OPERATIONS



- Upgrade buildings, pumps and traffic signals
- Purchase and generate renewables
- Reduce waste; increase recycling and composting
- Convert to electric and hybrid fleet vehicles
- Green bonds as potential financing strategy

# Three resolutions today

1. Adopt the 2015 Climate Action Plan
2. Direct bureaus to implement priority near-term actions identified in the plan
3. Pursue green bonds as potential financing mechanism for City investments in projects with environmental benefits

# Green Bonds 101

- “Green Bond” concept:
  - Traditional tax-exempt bonds receive an added “green bond” designation
  - Identifies environmentally beneficial capital projects for like-minded investors
  - Theoretically, “green” investors might offer better pricing (i.e. lower cost of borrowing) for green-designated projects
- Market is growing, but currently under development
  - Financial benefit (i.e. lower cost of borrowing) is unproven
  - Universal requirements/expectations are still undeveloped
    - Universe of potentially eligible projects is very broad
    - Investor expectations are inconsistent
    - Disclosure/reporting standards under development
    - Regulatory impacts/risks are unclear
- Does not require changes to current Debt Policy; existing bond-related statutory/regulatory frameworks apply
- No bond-funded City capital projects expected on the 6-12 month horizon match “green bond” designation

# Green bond issuance is growing rapidly



Sources: Climate Bonds Initiative; Standard & Poor's

# Green Bond Risks & Benefits

- Benefits
  - City expresses support for innovative approaches to financing environmentally responsible initiatives
  - City continues as leader in environmental and financial best practices
  - Can be accommodated within current financial policies and debt management structure
  - Potential future reductions in borrowing costs for eligible projects
- Risks
  - Potential for limited increased costs of debt issuance due to up-front certification expenses
  - Ongoing reporting expectations and administrative burden/cost
  - Identified projects need to retain green eligibility
  - Overuse of “green bond” designation could eliminate financial benefit

# Proposed Resolution

- What does it do?
  - Advances City leadership in sustainable innovation
  - Identifies City support for green bond issuance in concept
  - Provides three directives to City staff:
    - Identify potential candidates for green bonds
    - Assess financial cost/benefit of green bonds for eligible projects (including further due diligence with market/investors)
    - Develop standards/procedures for identifying projects and ongoing reporting
  - Directs staff to develop a strong framework for future green bond issuance
- What does it NOT do?
  - Does not authorize any specific borrowing or issuance of green bonds
  - Does not change City policy
  - Does not accelerate project funding schedules; rather, could be applied to eligible capital projects already in the pipeline.
- Establishes foundation for longer-term financial benefit as green bond market develops.



