



Bureau of Planning and Sustainability

Date: February 16, 2021  
To: Portland Clean Energy Fund Committee  
From: PCEF Staff  
Subject: PCEF RFP portfolio balance approach and options

The PCEF Committee is tasked with making funding recommendations to the Mayor and City Council. The following memo outlines two portfolios, or packages of grant proposals, for consideration by the PCEF Committee, to be discussed in the February 17 and February 24 Committee meetings.

The PCEF Committee solicited grant proposals from September 16<sup>th</sup> through November 23<sup>rd</sup>, 2020 for \$8.6 million in available funding. The inaugural request for proposals resulted in 140 applications related to clean energy, regenerative agriculture, green infrastructure, and workforce development. Requests ranged from \$10,000 to \$1 million, averaged \$250,000, and totaled more than \$30 million.

The portfolio options presented in this memo are the outcome of an application review process designed to support equity, reliability, and transparency. This process involved eligibility screening, technical feasibility review, and scoring panel evaluations with PCEF staff, Committee members, and technical experts.

- Of the 140 applications, 135 were deemed eligible and meeting minimum program criteria.
- Of the 135 deemed eligible, 133 passed the technical feasibility screening and went on to be reviewed by scoring panels.
- Nine scoring panels comprised of three individuals each, reviewed and scored each of the 135 proposals that were both eligible and technically feasible.
  - Each of the nine scoring panels had at least one Committee member, one staff member, one subject matter expert, and was comprised of a majority of BIPOC/non-white identifying individuals.

Scoring panel members evaluated applications using scoring criteria approved by the Committee in August 2020 after extensive Committee deliberation, public comment, and revision. For additional information on the application review process, go to the [PCEF Grant application process guide](#). For additional information on applications received, please reference the slide deck posted with the Committee's [February 17th meeting agenda](#).

The two portfolios presented on the following pages were developed by ranking applications based on scoring panel scores, and integrating two key decisions made by the Committee leading up to the release of the RFP:

1. Allocate at least \$1.5 million for planning grants
2. Publish target ranges for funding areas:
  - a. Clean energy: \$3.4 to \$5 million
  - b. Workforce and contractor development: \$1.7 to \$2.1 million
  - c. Regenerative agriculture and green infrastructure: \$840k to \$1.3 million

Portfolio A is based on funding \$1.5 million in planning grants and funding the mid-point of the target range for each funding area. Portfolio B is based on funding \$2.5 million in planning grants and funding the minimum of the target range published with the RFP. Given the funding available for the RFP (\$8.6 million), the narrow target ranges, and the maximum grant size (\$1,000,000), there were limited options for portfolio adjustments while remaining within the published ranges.

### **Observations about portfolio options A and B:**

- Demographic/priority population representation:
  - Planning grants, small grants, and large grants in both portfolios have robust representation of culturally specific groups representing Black, Native American, Latinx, and Asian-Pacific Islander communities. Additionally, there are numerous proposals from groups with a focus on multiple priority populations, often focusing on both BIPOC and people with low incomes. A handful of those groups also included women and people with disabilities as part of their target populations. That said, groups specifically focused on women or on people with disabilities were absent in both portfolios.
- Sector representation:
  - Planning grants in Portfolio A have modest representation of groups and proposals focused on supporting contractors, while Portfolio B has one more group focused on supporting contractors. We note this as there are no small or large grant proposals in either portfolio that are focused on supporting contractors in the clean energy/climate action space.
  - Planning grant proposals in both portfolios represent a good distribution of planning efforts across all funding areas (e.g., clean energy, regenerative agriculture, workforce development).
  - There are no “innovation/other” funding area proposals in either portfolio. While a funding level was not defined for this category in the RFP, the “innovation/other” funding area should, according to the code, represent at least 5% of the fund over time. If applied to this round, the target would have been \$350k. The highest ranked innovation grant was almost three times this figure. Funding requests for innovation grants included transportation projects, business development approaches, and climate-related education & performance art.

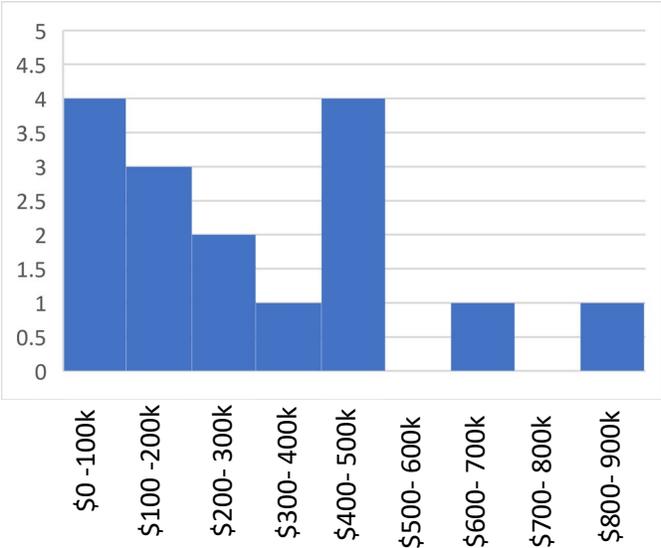
## **Considerations as the Committee moves forward:**

Through the development and implementation of this RFP, it has been clear that there would be many learning opportunities. Staff will be thoroughly exploring these learnings over the next several months with the PCEF Committee, however, we note some considerations below that may provide context and outline a path forward related to the observations above.

- The program, staff, and Committee were intentional about limiting the parameters established around access to funding. This was done to create space to allow communities to tell us their ideas about implementing climate action in an equitable manner. As the program and Committee reflect on this RFP, it will be important to explore where additional parameters or guidance would be mutually beneficial to both meeting program objective and to potential applicants.
- This round of funding will award a small number of grants relative to future rounds when substantially greater funds will be available. It may not be realistic to expect the first round of funding, with smaller numbers of grantees, to deliver grants representing all target demographics and sectors. Additional targeted outreach and capacity building can help the program meet goals of inclusion and representation.
- While staff anticipate that grants focused on contractor support will be more prevalent in future funding rounds when greater funds are available, the Committee may want to review scoring criteria to explore whether there is a bias for workforce training-oriented projects and whether this is desired.
- Outreach efforts focused on groups representing BIPOC communities were successful in delivering an applicant pool with substantial BIPOC representation. Yet, this solicitation fell short in proposals focused on women or on people with disabilities. Grant applications focused on these demographic groups will likely be more prevalent in future funding rounds when greater funds are available; however, the Committee may want to have a focused conversation about these priority populations and how the program can achieve greater representation in future applicant pools.
- It will be important for the program and Committee to spend time on further defining the "innovation/other" category. Improving clarity about this funding category will allow the Committee to use it strategically and create greater transparency for community organizations considering an application.
- Within the workforce development funding area, many of the applications received proposed services to youth. The Committee may want to more narrowly define what is meant by workforce development. If that definition includes programs serving people not yet in the workforce (e.g., youth), the Committee may want to consider defining what share of this funding area should be spent on these versus more traditional workforce development training programs.

	Portfolio A: \$1.5M for planning, midpoint for most categories	Portfolio B: \$2.5 million for planning
Total number of projects	36	45
Total lifetime GHG impact (metric tons CO2e)	13,307	11,469
Projects serving east of 82 <sup>nd</sup> Ave.	10	8
Planning grant	17 grants / \$1,476, 781	29 grants / \$2,549, 968
<b>Implementation grants (small and large grants):</b>		
Energy efficiency & renewable energy grants	9 grants / \$3,993,544	7 grants / \$3,090,654
Workforce development grants	4 grants / \$1,858,206	4 grants / \$1,858,206
Regenerative agriculture & green infrastructure grants	4 grants / \$937,312	4 grants / \$937,312
Multicategory grants	2 grants / \$384,123	1 grant / \$199,260
<b>Portfolio scoring indicators:</b>		
Applications scoring the highest score on serving and reflecting a priority population	31 of 36 all grants 14 of 19 implementation grants 78% of funding	38 of 45 all grants 12 of 16 implementation grants 86% of funding
Small organizations (<6 FT employees)	14 of 36 all grants 7 of 19 implementation grants 37% of funding	18 of 45 all grants 5 of 16 implementation grants 38% of funding
Projects with physical improvements	15 of 19 implementation grants 61% of funding	12 of 16 implementation grants 49% of funding

Portfolio A: # of implementation grants by \$ range



Portfolio B, # of implementation grants by \$ range

