



Bureau of Planning and Sustainability

Date: May 13, 2021
To: Portland Clean Energy Fund Committee
From: PCEF Staff
Subject: PCEF Mini grants briefing memo for 5/19/21 Committee meeting

During the 5/5/21 Committee meeting, staff provided a proposal for implementation of the first year of the mini grant program based on parameters discussed with the Committee over two meetings in April of 2020. Much has transpired since those two 2020 meetings. The committee's questions and comments made it clear that modifications to the proposal, as well as clarification about program details, was needed for the Committee to feel comfortable advancing the program. This memo offers a modified proposal based on conversation in the last Committee meeting and answers questions asked by Committee members with a goal of advancing the conversation and receiving Committee approval to launch the program.

5/5/21 proposal based on parameters defined in April 2020

- \$400,000 annual funding, \$100,000 disbursement goal per quarter. These two parameters cannot be changed without going back to Council.
- Caps/limits: \$5,000 per grant, one grant per organization per quarter, one application per organization per quarter.
- Eligibility: Applicant must be a non-profit, grant must serve PCEF goals of addressing climate change and advancing racial justice, funding must be for eligible expenses.
- Prioritized groups: organizations with three or fewer full time equivalent (FTE) staff and organizations that have not received a mini grant in the past year.
- Committee evaluation after third or fourth quarter. Originally the Committee thought to evaluate after one year but given need to recommend future funding the program to City Council, evaluation would need to happen after third quarter.

Modifications to previous proposal

- Add prioritization for organizations that serve and reflect PCEF priority populations.
 - First level prioritization for organizations who have not received a mini grant in last year
 - Second level prioritization for organizations serving and led by PCEF priority populations
 - Third level prioritization for organizations with three or FTE staff
 - Note that addition to prioritization in grantee selection has the following impacts.
 - Two additional application questions
 - Selection process has six levels of prioritization, up from three
- Have the Committee evaluate the program at the end of third quarter. Staff recommend waiting until third quarter to evaluate mini grant program application results.

- Many new grant programs take time to get going, to get the word out and give those new to grant funding time to develop application ideas.
- One of the ways that we work to ensure our program is providing benefit to priority populations is through targeted outreach and engagement; these activities should build the applicants and grantees we want to see.
- Waiting until the third round might begin to allow us to see the impacts of prioritizing organizations that have not received a mini grant within the year.
- Note that the Committee will need to clearly define what it will be looking for in a program evaluation so that staff can be sure to collect that information.

The next section provides answers to questions posed at the 5/5/21 committee meeting

- **The funding categories list many examples. If applicants request funding for something not listed, are we open to other ideas?**
 - Yes, very open. The funding categories capture how money can be spent and the examples are just to illustrate the categories.
 - We welcome all funding requests with a connection to PCEF's goals of addressing climate change and advancing racial and social justice.
- **Are the funding categories part of the selection process?**
 - No, the funding categories are not related to the selection process.
 - The program does not have any preferences/goals for the type of funding requests.
 - The application will ask organizations to describe their request in each funding area with very brief descriptions and dollar amounts. Staff will then use that information to draft the grant agreement's budget and scope of work.
- **Can organizations reflecting and serving priority populations be prioritized in the selection process?**
 - Yes. We hear the committee's request for this change and have incorporated it into the prioritization process below.
 - The updated, proposed mini grant prioritization:
 - ↓ Group 1. Reflect and serve priority population, 3 staff or less, first-time applicants
 - ↓ Group 2. Reflect and serve priority population, 4 staff+, first-time applicants
 - ↓ Group 3. All other first-time applicants
 - ↓ Group 4. Reflect and serve priority population, 3 staff or less, already received mini grant funding
 - ↓ Group 5. Reflect and serve priority population, 4 staff+, already receiving mini grant funding
 - ↓ Group 6. All other applicants who have already received funding
 - To keep the application accessible and brief, we recommend asking higher level information about how an organization serves and is led by priority populations. This is different from the full RFP where we ask applicants to provide more detail including individual numbers for each of the priority population categories and to respond to narrative questions.
 - Recommended mini grant application questions:

1. Select which demographic groups your organization primarily serves (check all that apply).
 - People of color (PCEF priority population)
 - People with low income (PCEF priority population)
 - People with disabilities (PCEF priority population)
 - People who identify as women, non-binary, transgender, or two spirit (PCEF priority population)
 - None of the above
 - Our organization serves everyone with no primary demographic focus
 2. How much of your organization reflects the PCEF priority populations, if any, that your organization serves? (single choice)
 - The majority: More than 50% of our organization's total staff, staff leadership and Board leadership, are reflective of the PCEF priority populations we serve
 - Less than half: Less than 50% of our organization's total staff, staff leadership and Board, are reflective of the PCEF priority populations we serve
 - None: Our organization's leadership is not reflective of a PCEF priority population
- To be prioritized as an organization that reflects and serves PCEF priority populations, an organization would need to select a PCEF priority population in question #1 (who they serve) **and** answer with "the majority" in question #2.

- **Selection process explained.**

- The random selection happens within prioritized groups.
- After submitting an application, staff places applicants into a prioritized order for that quarter's funding round. (See priority groups list above)
- If group #1's total grant request is more than \$100K, we will use random selection to choose who will receive funding from group #1. If this happens, then the money for that quarter would go entirely to organizations in group #1.
- If group #1's total amount requested is less than \$100K, then everyone in group #1 gets funded and then we move the selection process to group #2.
- The process repeats going down the prioritized groups until all of the funding has been allocated.
- If all of the groups' combined funding request less than \$100K, then everyone in all of the groups would be selected for funding in that quarter.

- **How does actual random selection happen?**

- Staff will use excel random number generator (=rand) to assign unique, random numbers to each applicant.
- Staff then sorts the list of applicants in descending order using the random numbers assigned.
- Staff will start from the top of the list and select organizations going down the list until the \$100K limit is reached.

- **How does Application Support Grants (ASG) relate to Mini Grants?**

- ASG was a one-time grant opportunity. Funding for application support resources (and the spirit of ASG) will be part of the Mini Grant Program going forward.

- **Application Support Grants – Can we hear more about lessons learned about what went well, what didn't?**
 - How many organizations applied: 124
 - How many organizations were selected: 42
 - How have these funds been used?
 - The grant agreement term is 18 months, so we don't have a full picture yet.
 - From what we do know, this funding has gone to pay for contracted grant writers, staff time to conduct grant writing, community engagement activities, and technical assistance consultations.
 - Staff will provide a thorough program report once we reach the end of the grant term and receive final reports from grantees.
 - Lessons incorporated into mini grants:
 1. Applicants appreciated simple application process. The application questions, however, need improvement to better capture how grantee's use of funds connect to climate action.
 - Mini grants applications will be simple and will include questions that ask for more detail about how the grantee's use of funds connects to climate action. The majority of community feedback respondents agreed that the mini grant application should not take them more than one hour to complete.
 2. Application support is a helpful resource, grantees expressed interest in having it be a regularly available resource.
 - Mini grants will be an on-going grant opportunity with four funding opportunities annually
 3. The insurance requirements were challenging for smaller and emerging organizations.
 - Mini grants will right-size our insurance requirements based on how grantees will use funding instead of having blanket requirements
 4. Grantees expressed other small funding needs beyond application support.
 - Mini grants expands the types of activities that are eligible for funding
 5. Vendor setup was challenging for some organizations, especially those that were volunteer run.
 - PCEF staff worked with other bureaus to simplify vendor setup for grantees. Vendor setup is a one-time requirement necessary for an organization to receive funds from the City. For all future grant opportunities, they will be set up and can skip the vendor setup process.
 - How did we collect ASG feedback? PCEF staff collected feedback about grantee experiences through one-on-one phone conversations and email exchanges. Several ASG recipients are also participating in the current program evaluation process.
- **Organizational capacity building – how do mini grants relate?**
 - Staff recognizes that capacity building is a critical need for many community organizations.
 - PCEF is tackling capacity building through multiple avenues – procuring services to provide trainings and workshops, hosting engagement cohorts and design sprints, providing direct technical assistance through Project Managers, skill building and staff hires built into grants,

grantees providing capacity building to emerging organizations through mentorship within their grants, and providing mini grants.

- Mini grants are one piece of the puzzle. In its current format it is tackling small-scale capacity building needs - such as sending staff to trainings/workshops/conferences and paying for staff to coordinate small tasks and activities such as community engagement events and grant writing.
- We recognize that there are capacity building needs that are much greater than what mini grants can address.
- **How does mini grants see itself paying for staff time when the grant limit is only \$5K?**
 - \$5K is the limit for grant funding that does not require City Council approval.
 - To be able to have fast turnaround times, we are currently working inside of this limitation.
 - Mini grants aren't intended to pay for staff positions.
 - When we say that mini grants can pay for staff time, the intention is to pay for staff time on small projects/events.
- **Why not use mini grants to add funding to an existing grant?**
 - Portland City Code prevents this from happening. To add funding to an existing grant agreement, there is a formal amendment process that is required by code.
 - Grantees with grant agreements have options to request an increase in their funding amounts through conversations with project managers. That amendment process is something separate from the mini grant process.
- **How many grants can one organization propose per cycle?**
 - We recommend that organizations be limited to submitting only a single application per quarterly cycle.
 - Organizations can choose to submit an application every quarter, but by limiting their submission to one, it will ensure that no single organization can increase their odds with multiple entries and ensures distribution of funds to more organizations.
- **Why is the funding allocation \$400K?**
 - That was the dollar amount that the Committee set a year ago and was approved by City Council in the April 2021 ordinance.
 - We do not yet know what the appropriate funding level will be for this program. The first year will help us learn if we need to allocate more or less funding to mini grants.
 - For reference, the Application Support Grant program had an allocation of \$200K.
 - There is also an element of staff capacity to administer the mini grants. We want to balance the demand for this type of funding with staff capacity to administer the grants while maintaining a high level of service to grantees.
- **How will staff screen for eligibility of an application's alignment with PCEF's goals of addressing climate change and advancing racial and social justice? Isn't this subjective?**
 - Applicants will be asked to for a short narrative (~150 words) describing how their application supports PCEF's goals of addressing climate change and advancing racial justice.
 - We recognize that it is a subjective determination. During each quarterly eligibility screening, there will be two different staff people reading responses and determining whether the grantee's request has sufficient alignment with PCEF's goals.

- The two staff people will read all submissions independently, flag any concerns, and note whether they find the request in alignment or not. The two staff will meet, compare their notes, and determine whether each application passes the eligibility screening. In cases where the two staff people are not in agreement, Sam or Cady will provide an additional review.
- **What does grantee reporting look like?**
 - Grantees will be required to provide a brief report at or before the end of their one-year grant period.
 - Reports will include narrative questions asking about the impact of the funding for the organization, what they accomplished, and how the funding helped further PCEF's goals of addressing climate change and advancing racial and social justice.
 - Grantees will also be required to submit a financial summary of how they spent the funding and send us copies of invoices/payroll/etc.
- **Can staff provide reports to the Grant Committee on who applied and who was awarded each quarter?**
 - PCEF staff will provide quarterly reports to the Committee on the mini grant program, including names of recipients, information about the funding requests, information about the funded activities, and any successes/difficulties the program encounters.
 - If there are specific things (data/metrics/questions) that the Committee will be using to evaluate the success of the PCEF mini grant program, please identify them to staff now. Staff need to be sure we are collecting the information necessary to track and report on items that meet the Committee's expectations.
- **Can folks apply for mini grants more than once?**
 - They can. Organizations can choose to submit one application every quarter and potentially be selected to receive funding every quarter. Selection depends on who else applied, where the applicant falls in the prioritization process, and the availability of funds.
 - A caveat to receiving multiple mini grant funds is that each application needs to be for a unique request. According to Portland City Code, an organization can receive up to \$5K in a single fiscal year for a unique project/event without City Council approval. That means that if an organization is applying for a mini grant more than once per year, they must be for unique purposes and cannot fund the same project/event, because that could violate city code.