



# March 27, 2025 Climate, Resilience, and Land Use Committee Agenda

**City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204**

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**Thursday, March 27, 2025 9:30 am**

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**Session Status:** Adjourned

**Committee in Attendance:**

Councilor Candace Avalos

Councilor Sameer Kanal

Councilor Steve Novick, Co-Chair

Councilor Angelita Morillo, Co-Chair

Councilor Morillo presided.

Officers in attendance: Diego Barriga, Acting Council Clerk

Committee adjourned at 11:31 a.m.

## Regular Agenda

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[Overview of the City's electrification plan](#) (Presentation)

**Document number:** 2025-104

**Introduced by:** Councilor Angelita Morillo; Councilor Steve Novick

**City department:** Planning and Sustainability (BPS); Transportation

**Time requested:** 55 minutes

**Council action:** Placed on File

Portland City Council, Climate, Resilience, and Land Use Committee  
March 27, 2025 - 9:30 a.m.  
Speaker List

Name	Title	Document Number
Angelita Morillo	Councilor, Committee Co-Chair	
Diego Barriga	Acting Council Clerk	
Candace Avalos	Councilor	
Sameer Kanai	Councilor	
Steve Novick	Councilor, Committee Co-Chair	
Claire Adamsick	Council Policy Analyst	
Eric Engstrom	Director, Bureau of Planning and Sustainability	2025-104 and 2025-105
Andria Jacob	Climate and Policy Manager, Bureau of Planning and Sustainability	2025-104
Jacob Sherman	Mobility Innovations Section Manager, Portland Bureau of Transportation	2025-104
Eric Hesse	Portland Bureau of Transportation	2025-104
Donnie Oliveira	Deputy City Administrator, Community and Economic Development	2025-105
Jaimes Valdez	Partnerships & Policy Manager, Portland Clean Energy Community Benefits Fund	2025-105
Jess Cline	Data, Systems and Performance Manager, Portland Clean Energy Community Benefits Fund	2025-105
Jenny Lee	Managing Director, Building Power for Communities of Color	2025-105
Damon Motz-Storey	Chapter Director, Sierra Club	2025-105
Megan Horst	Co-Chair, Portland Clean Energy Fund Community Benefits Committee	2025-105
Ranfis Villatoro	Co-Chair, Portland Clean Energy Fund Community Benefits Committee	2025-105

## **Portland City Council Committee Meeting Closed Caption File**

**March 27, 2025 – 9:30 a.m.**

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**Speaker:** Good morning. I call the meeting of the climate resilience and land use committee to order. It is Thursday, March 27th at 930. Diego, will you please call the roll?

**Speaker:** Avalos.

**Speaker:** Present.

**Speaker:** No present. Ryan. Novick here. Morillo here.

**Speaker:** Claire, will you please read the statement of conduct?

**Speaker:** Good morning, and welcome to the meeting of the climate resilience and land use committee to testify before this committee in person or virtually. You must sign up in advance on the committee agenda at [Portland.gov/council agenda](https://portland.gov/council-agenda), slash climate resilience and land use committee. Or by calling 311. Registration for virtual testimony closes one hour prior to the meeting. In person. Testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item, individuals may testify for three minutes unless the chair states otherwise, your microphone will be muted when your time is over, the chair preserves order. Disruptive conduct such as shouting, refusing to conclude your testimony when your time is up, or interrupting others testimony or committee deliberations will not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is

subject to arrest for trespass. Additionally, the committee may take a short recess and reconvene virtually. Your testimony should address the matter being considered. When testifying, please state your name for the record and address is not necessary. If you are a lobbyist, please identify the organization you represent. And finally, virtual testifiers should unmute themselves when the clerk calls your name. Thank you.

**Speaker:** Thank you so much, Claire. Today we're going to be discussing a few really important topics. A few weeks ago, we did a presentation on renewable fuels and part of the questions that came up, I'm a little sad Councilor Ryan isn't here today because he had some questions about what does it look like to transition away from fossil fuels and move towards electrification. So hopefully he'll watch this later and I'll send him the link. But we're going to have some presentations from the Bureau of Planning and Sustainability and the Portland Bureau of Transportation staff, who will give us an overview of the city's electrification plan and kind of give us that information to figure out what next steps are to actually begin transitioning away from renewable fuels and all fuels in general, and, you know, figure out what it's going to take for us to do that in a sustainable manner. Then we're going to talk about the Portland Clean Energy Fund. We're going to get a presentation from staff, partly about the budget, how it's normally used, and some of some of those areas, and then community members who have been active in this work, experts in climate who were involved in either creating the Portland Clean Energy Fund and what the funding should actually be used for. So, Diego, with that, will you read the next item, please?

**Speaker:** Item one overview of the city's electrification plan.

**Speaker:** Good morning. For the record, my name is Eric Engstrom. I'm the director of the Bureau of Planning and Sustainability. We have a couple folks here to give

the presentation, as this is a complex topic with a number of different threads to go down. Andrea jacob will talk about the building side of electrification and the built environment side. Jacob sherman from pbot will talk about the transportation aspects of this. Eric is here to run the slide show and also answer questions if there are any. I believe vivian satterfield, the cso, is also in the room. If there are questions about next steps and where we're headed with all this next slide. So our agenda today is first to just give you an overview of the policy context that's driving this. Second, there are a couple different dimensions. As I mentioned the grid is one significant aspect. Building electrification and then transportation electrification. And then we'll try and sum it all up. And i'll just say by way of introduction that we are operating in a framework where we would we are trying to transition to full electrification by 2050 through the climate action plan. We're not we're actually underway in that endeavor. But there's a long way to go, and you're going to hear more about that with staff. Next slide. And with that i'll turn it over to andrea jacob.

**Speaker:** Thank you. Good morning. Co-chairs morillo and novick and members of the committee. For the record, I'm andrea jacob. I'm the climate policy manager at the bureau of planning and sustainability. And I'm delighted to be here this morning to talk about electrification in Portland, along with my colleague from pbot.

**Speaker:** Hi there. Good morning everyone. My name is jacob sherman. For the record, I work at the bureau of transportation.

**Speaker:** So the two north star resolutions that that guide our climate and energy work are the 100% renewable energy resolution and the climate emergency declaration. The 100% renewable energy resolution was developed in partnership with environmental justice and community based organizations in 2017, and

establishes some important policy goals for the city, including the goal to reach 100% renewable electricity by 2035 and renewable in the transportation and heating sectors by 2050. It laid out a climate justice framework that prioritizes community based ownership of renewable energy generation assets. The 2020 climate emergency declaration incorporated and advanced most of that framework and, among other things, bumped up our 100% renewable electricity goal to 2030. Next slide please. So we can't talk about electrification without talking about the electric grid. Next slide. So you might have seen this before. Our electricity grid is still mostly nonrenewable as there's still a significant amount of natural gas and coal in our mix. These are 2021 data. We get these from the state. They do run a couple years behind. So we know that these figures are already different today and will continue to change and improve over time. Next slide please. And the reason that this will change is because of a couple of historic landmark bills that passed at the state level. The coal to clean bill eliminates coal from our mix by 2030. And Oregon's historic house bill 2021, also known as 100% clean energy for all, requires our retail electricity providers. That's Portland, general electric and pacific power to reduce the greenhouse gas emissions associated with electricity sold to Oregon consumers. The law requires the utilities to reach emissions reductions of 80% below baseline by 2030, 90% below baseline by 2035, and 100% clean by 2040. So just to keep in mind, our goal is 2030. The state's goal is 2040. So let's just keep that in mind. The law requires utilities to prepare clean energy plans that outline how they will do this, and to demonstrate continual progress. The law has an important energy justice component that seeks to maximize community benefit in the energy transition, and the bill also included a provision for local governments to go above and beyond these targets, which the city and Multnomah County lobbied for hard and won. And I will talk about that more in a minute. Next slide please. But as

you've heard us say before, the utilities are lagging. They are not making progress at the rate that's necessary. Pge has done somewhat better than pacific power, but is still quite far from where they where they said they'd be. Pacific power does not even have an approved clean energy plan, has done no procurement and is in litigation currently with the Oregon public utility commission over this. The next round of procurement should happen this spring and summer, so hopefully we'll make up some lost ground. But it's important that we recognize that they are not on track. Next slide please. So bts and pbot collaborated on this pathways analysis, which is a tool that helps us model the different scenarios for getting to net zero carbon emissions by 2050. It is one way to see the relationship between the electricity grid and all the other strategies in our toolkit. So I want to make a couple of points here. That big blue wedge that's labeled renewable electricity, that's the grid decarbonization that we're talking about. And it enables all the other electrification that you see those wedges underneath. So there's two tiny small dark blue wedges that represents residential and commercial electrification. They're not labeled. It was going to get the slide too busy. But you can see that those don't get us that much carbon reduction when compared to some of the other wedges, but they're critical because all of the wedges are necessary to get us to our goal. So the other thing I want to point out on this slide is the wedge that says pbot preferred scenario. This represents reductions that we will get from a mix of policies and strategies that pbot has modeled, including reductions in vehicle miles traveled, pricing strategies, reduction in the carbon intensity of the fuels, behavior change, and strategic electrification. So even when we get all of the reduction from this preferred scenario, there's a significant portion of transportation emissions that remain. And just for the purposes of modeling, we assume that all of these emissions will be handled by electrification of all light duty vehicles and the

substitution of fuels to renewable fuels for the heavy duty vehicle sector. And that's just because we don't have enough electric alternatives in that sector. So the takeaway is that full electrification of transportation remains beyond what we have resources, strategies and policies for. And so I just want to point that out to show the scale of the challenge. Next slide please. So when we were talking about house bill 2021 a few minutes ago, I mentioned that the city had lobbied for a provision in statute that would have allowed us to meet our 2030 clean electricity goal. The first action in our climate emergency work plan e one calls out the need to implement this law, specifically through the concept of a community wide green tariff. And just simply put, this is a mechanism that would have made 100% clean electricity. The default option for all residential ratepayers in Portland. This is not something the city could have done on our own. We need the partnership of both utilities to do that. And while we were not able to engage pacific power, we did spend several years with pge. Ultimately, though, we had to abandon the effort. Last year, pge found that they could not develop this program for us due to cost concerns, rising rates, and their need to focus on meeting the state mandates, which, as we've just talked about, are challenging enough. So unlike the state targets that are in house bill 2021, this was voluntary for the utilities. And it just means that it is unlikely or much, much harder for the city to meet its 2030 goal without this lever. And we're more reliant on the utilities and state regulators to get there for us. Next slide.

Okay. So and again now let's turn to building electrification and some of the levers that we do have. We put this matrix together to show the different building sectors. So across the top you see single family multifamily and commercial separated by existing buildings versus new construction. And that's because the policies and interventions look really different depending on whether we're talking about existing or new. So I'm going to go across that top row first existing buildings. The



light blue text shows policies that are already in place. Essentially what we have are energy reporting and disclosure policies for the single family sector and for large commercial buildings. That's home energy score and commercial energy reporting. Those are policies that council passed in 2015 and 2016 with bts leadership. And those are programs that my team now implement. There's a gap for multifamily, so we don't have any reporting and disclosure for multifamily. And that's something we've been trying to address for years. And i'll just put a pin in that. I'm going to talk about it in more depth in a minute. The parentheses b1 just shows that this is in the climate emergency work plan. This has been a community priority and a priority for quite some time. On the new construction side, all the talk for a while was about banning new gas hookups. But this is crossed out because the ninth circuit court of appeals ruled that local jurisdictions could not implement those legally. So in its place, some jurisdictions, mostly in california, have been exploring limiting the harmful nox emissions that come from combusting natural gas through a relatively untested mechanism of limiting which appliances could actually go into new construction. So in theory, this could drive electrification. Since the emissions limits would effectively prevent gas appliances from being installed in new construction without a direct ban on the infrastructure. When talking about new construction, we have to mention that the state controls building code so the city is preempted really from adopting new construction codes. However, there is a pathway. It's called a local code amendment. It's just never been tried before. But it is something to consider for the future. I also want to mention the city's green building policy as an option. The last version of this was passed in 2015. It's significantly out of date. It's limited in its application. We have lots of ideas about how to make it more relevant, and it is in the climate emergency work plan as item b2, we put a pause on it just as we underwent the city reorganization and government transition. But it is

pretty low hanging fruit. Multnomah County has adopted an all electric new building policy that we could emulate, and it would show city leadership. It would show us walking our talk and demonstrate to the private sector what's possible.

Next slide please. So this matrix shows how the policies stack up when evaluated against key criteria such as carbon reduction, community benefit, cost, and political difficulty is admittedly not scientific, but I think it's helpful just to see what the trade offs are. And i'll just walk through a couple of the rows. So let's just take reporting and disclosure for multifamily. Just an information policy. So second row we don't get a lot of carbon reduction from that. There is significant community benefit from it. It doesn't cost very much. But it's somewhat politically difficult. And we know this because we put a policy out for public comment last year. And the opposition was swift and fierce. On the third row, climate and health standards, which I'm going to talk about next. Lots of carbon reduction, lots of community benefit, cost quite a bit and is also quite politically difficult. And on the green building side for our own facilities, not a lot of carbon reduction, not a lot of community benefit, but doesn't cost very much. Some might argue that should be green in political difficulty. I'm not sure this would require talking to all the bureaus. So we made it yellow. Okay.

So next slide please. I've been using the term climate and health standards for existing buildings. That's a broad umbrella term for a policy concept that originated with a group of bipoc community members, called build shift. Some of you might have heard of this as heart standards. This was a policy to address building decarbonization while centering community priorities of anti-displacement health risk and affordability for renters. And this policy is something that deserves its own whole briefing. There is a lot to unpack with it, but since we're talking about electrification today, we wanted to mention it because it is definitely something that would drive electrification. It's something that City Council has the sphere of

influence over, and would address 50% of the emissions from the building sector. So the electrification component of this policy rests on establishing carbon performance standards. So what this essentially does is establish a cap on emissions for all buildings over 20,000ft<sup>2</sup> in Portland that's both multifamily and commercial, and sets interim targets for each building to meet on their way to zero. So those those dots are at various intervals. The word performance is used to distinguish this from a prescriptive approach, where we're telling building owners what measures they need to install. This leaves this approach leaves it up to each building owner to decide how best to meet the standard for their own building, so it has a lot of flexibility baked in. And this policy is something that we've been working on for the last several years. We did not have the votes on the last council, so we intentionally shelved it, waiting to bring it back to see if this council might have more appetite for it. Our code package is currently being reviewed by city attorney, and we can be ready to bring that forward whenever you wish. Okay, finally next slide. The last thing I want to say about building electrification is how the pcef investments are supporting this outside of the policy realm. These are all the different programs that have some funding for building electrification baked into them. And that's all I have for the moment.

**Speaker:** Great, thanks so much. As I kind of get started, as you're probably all very familiar, Portland has a legacy of leadership and innovation and climate action. We're the first city in the United States to have a climate action plan. In the 1990s, we rebuilt an electric streetcar line in the early 2000. And on the topic of electrification, we also built the first dc fast charging stations in the right of way in the early 20 tens. There's been a number of exciting headlines in the news recently. Just last week, you think you might have seen that Oregon registered over 100,000 electric vehicles just last year? We were, or two years ago now. We were also cited

as having the second highest share of electric vehicle sales. There's a number of challenges, though. I think as we were talking about transportation, electrification is needed in combination with a significant reduction in vehicles miles traveled in order to meet our larger goals. Some of the partnership work that andrea spoke to previously is also reliant upon in order to help meet our broader goals. The good news is, you know, we have a strategy we have been delivering on innovative projects. I think some challenges, specifically at the bureau of transportation is our ongoing budget crisis, which I think a number of you are very familiar with. And then most recently, changes at the federal level are now also threatening our progress. Next slide, in terms of our overall strategy for advancing electrification in the transportation system, first, on the top end of the triangle, we're focused on reducing vehicle miles traveled. This is by making it more convenient to take transit, to walk, to bike. In the lower left corner of the triangle, we're focused on working with our partners at the bureau of planning and sustainability to build and to plan and build places where people don't need to drive as much. And then, as andrea said, in terms of pathways analysis, we're working to fuel shift and wherever possible use partnerships as well as regulations to promote electrification or switching to less carbon intensive fuels. Next slide. Our ability to make change really involves us using a series of different levers as a regulator. The city, both in terms of the zoning code as well as the right of way. We have an opportunity to improve electrification on private property, as well as consider the rules that we place on use in the right of way. As an owner and operator of fleets, we can also electrify our own fleet. As you may have heard about the great work that city fleet is doing in this space, as well as our own bureau. We also have an ability to partner with a variety of different folks. The utilities who are mentioned earlier, trimet as well as streetcar, are doing work in this space. More recently, at the bureau of

transportation, we've been working on partnerships with some of the logistics companies doing deliveries in our city. We're working to encourage them to transition to zero emission vehicles and wherever possible, try and move away from vans and trucks entirely into things like e-cargo bikes. We also have the ability on the topic of bikes to promote transportation options like shared electric scooters and bike share, and then the city can be an investor as it is through the Portland clean energy fund and helping facilitate this kind of work. Next slide. One more. We know from the research that's been done that the two biggest barriers to people making the choice to transition to electric vehicles is price and access to charging. We believe that charging, or we know that charging is a challenge for people who can't charge at home, people who don't have a driveway, people who don't have a garage, people who don't own the place where they're living and would face barriers in trying to get this kind of infrastructure installed. At the Portland bureau of transportation, we see our role in reducing barriers to charging so that residents, visitors and businesses can feel confident in the transition to electric vehicles. But as you can see on this slide here, the market isn't building an equitable network. The map on the right is recently updated. It's showing the kind of city's land use designations on centers around the entire city. The centers in red have zero public ev chargers available. The centers in yellow have 1 to 5 public ev chargers available in. The centers in green have five or more. As you can see, the central city is very well served in this space. But as you go further north or you go further east, you start to enter ev charging deserts. So we've been working hard to figure out how we can intervene, and we've created a policy to expand access to ev charging. Next slide. Our public right of way charging framework is a new permit based program. It's been based off of kind of years of work and research with other cities, as well as officials in the Biden administration's joint office of energy and

transportation. It's really focused on opening up access to the right of way and strategic locations in order to install ev chargers in some of the centers that you just saw on the previous map. This is a permit process, and we have just begun working with a number of companies, including meeting with nearly a dozen companies just last week who are interested in doing business in Portland. And we're working with the utilities to deliver infrastructure that's going to start later this year. And i'll talk about that in another project. Slide. Coming up next slide. In terms of the transportation system, we're also looking at opportunities to install more chargers on private property as well. The bureau of planning and sustainability led a project that was implemented in 2023. In the new building space, as was talked about to create requirements that new buildings be built with ev charging accessible to them, so that when a building is getting constructed, there's space left in the breaker box for future ev chargers. So for multi-unit dwellings with five or more units and ones that have parking with six or fewer parking spaces, 100% of those parking spaces are required to be ev ready. If there's more than six parking spaces, they're required to be 50% ready. This was a really exciting project led by bureau of planning and sustainability. And as noted on the slide, the state actually picked up these kinds of requirements and then implemented them statewide. Want to take a quick moment to acknowledge some of our colleagues, ingrid fisch, marty stockton and phil lamone that led the work on this project? Next slide. Some key projects that we have underway include our \$3.5 million federal grant from the united states department of energy. This is to plan and build approximately 40 level two chargers that, as I mentioned earlier, are getting installed later this year. This is a really novel approach that's very cost effective and scalable. And we just launched a project website on this, including a new gis survey where people can share feedback with us to help inform some of

our siting decisions. We're really grateful for our partnership with Portland general electric as well as pacific power on this project. They provided significant match funding on this and want to acknowledge my colleagues hannah morrison, Ryan mace, kelsey rucker, sarah johnson and kevin who are all working on this. We're excited about this work, but continuing to look for additional funding to be able to sustain the staffing and improve the policy and permitting process so that we can get more ev chargers installed in Portland. Next slide. Another innovative project that is underway is a \$2 million, federally funded pilot project from the united states department of transportation to pilot the nation's first regulated zero emission delivery zone. After a very extensive stakeholder engagement process. With over 40 different organizations representing everyone from fortune 100 companies to small businesses, community based organizations like neighbors for clean air to houseless Portlanders. We launched a project back in September where we temporarily converted five truck loading zones, literally in the 16 block area around where we are today, to be for zero emission delivery vehicles only. The purpose of this was to test out sending market signals and trial new technologies in order to see kind of whether and how the curb could be an effective tool in our climate toolbox. This has been a very successful pilot. We're moving into the evaluation phase right now. But when we started this project, a number of organizations didn't have any zero emission vehicles on the streets of Portland. We ended up permitting over 65 vehicles by the end of the project, and also worked with printing and distribution to buy their first electric vehicle for use in the city's fleet. Want to thank sarah pullman for her work on this? And in terms of what's next for this work, as I mentioned, we're moving into an evaluation phase plan on publishing a report, and we're kind of starting to assess the funding landscape to figure out how we could sustain and grow this work in order to better support

businesses in transitioning to electric vehicles, to help us also better manage the curb and then wherever possible, figure out how we can move goods in more innovative ways than vans and trucks. Next slide. Some of the other work underway at the Portland bureau of transportation involves looking at the private for hire ecosystem. The city of Portland has been regulating this industry for over 100 years. We know that companies and drivers put on significant miles every year, and we're with some seed funding from c40 cities as well as pcef. We're starting some strategic work in this space and look forward to maybe sharing more about that in the future. Next slide. Lastly, as was mentioned earlier, pcef is investing in community and city led projects. These are some of the transportation electrification projects that are there. And you will hear more from pcef in your next item later in this committee meeting. Next slide. I'd be remiss to not mention that the funding landscape has changed significantly. We have gone from a period of probably the most significant investment in decarbonization and electrification in anyone's memory, to kind of the exact opposite of that. We're now in a space, I'd say, of vast uncertainty, and we're currently figuring out how we can continue to drive systems, change projects in a space where federal funding is not anticipated, to be supportive of this kind of moving forward. Really asking ourselves the question of how do we continue progress without funding from the federal government and specifically at pbot, how do we also continue this progress in light of the budget cuts that our teams are facing? Next slide. One more. So in closing, I think as director engstrom said, there's a long road ahead. Thinking about the storm that rolled through last night. Fortunately, there were no tornadoes or golfball hail. But it does feel stormy in this space. And I think we are, as staff, trying to figure out how to weather it. Adding to the challenges, again, is some of the funding cuts that our agency is poised to experience, as well as the changing



landscape from the federal government. We're very much focused on working hard to get to our goals, and we recognize that we're going to need both partnerships as well as regulations in order to change the status quo. Next slide. We are optimistic though. We will say as new leaders, we look forward to you aligning your sights on those north stars, helping us make decisions and navigate to a better future. I'd like to thank our co-chairs, morillo and novick, as well as other councilors, and we'll open it up for any questions.

**Speaker:** Thank you all. Thank you all so much. This was such a great presentation, really helpful framing. And I personally appreciated the non-data color chart that showed the political difficulty of doing some of this work. I did notice that everything was difficult, if not moderately difficult, so that was fun to see for us as councilors. You know, I think the fact that yesterday was also one of the hottest days in the season on record is really concerning, and I'm excited that we have a climate committee that's really ready to take on this challenge. And the fact that you said that we have some packages that are ready to go, if there's the political will to do it and the political will to fund it as well means a lot to us. And I want to dive into some of those options more with you. I think that we I think that we have the capacity to do that on this council now, and that we don't have a choice in this matter. This is an existential threat to the residents of this city and frankly, to the entire world. So we have an obligation to act. And I really appreciate this, this presentation. I see there are a few hands raised. So I will start off with councilor avalos.

**Speaker:** Thank you so much for your presentation. I think what I noticed in there and I want to just name is you all really spelling out the importance of electrification not being the answer to how we reduce vmt, right? Because I think ultimately our goals need to be around reducing cars. It doesn't matter if they're electric. It's still

contributing to infrastructure that is prohibiting us from making decisions to build our infrastructure in ways that encourage transit, pedestrian, biking, etc. And so I'm glad to see that that is part of your analysis. And I just want to state on the record, that's super important to me, that we are continuing to look at it from the perspective of reducing car usage, not just replacing gas cars with electric cars. And then really glad to hear that you all sounds like are prepared to bring back the heart standards. So for context, coalition of communities of color and verde had been working for years with community members and build shift and build shift is build power or build community shift power. And I think that that speaks to what I am aiming to do as a part of this committee and what I am hearing and how you're describing where the city is headed. So I'm pleased to hear that. So my question was going to be, you know, was there appetite for picking back up the heart standards? But it sounds like there is. And I guess my further question then would be is that like a easy it's already ready to go or are there further is there further work that you're seeing that we need to do on that front?

**Speaker:** Yeah, I would say.

**Speaker:** We're about 90% of the way there. We have some technical work still to do. We actually have to figure out like numbers, greenhouse gas intensity targets for each building. We were supposed to be doing this in partnership under a u.s. Department of energy grant. That is one of the ones that has not been funded. So we were supposed to hire a coordinator. We were supposed to be working with the pacific pnnl, one of the national labs, to do that work. We've brought that now in house. So we're thinking we have about another month or so of technical work and city attorney review. But sometime in April we could be ready.

**Speaker:** I'll just i'll just add that the we also committed to two other things kind of in tandem to continue development of the standards. One was to test out some of

the reporting mechanisms because there was concern about potential cost of those. And then we committed to getting up and running one of the piece of strategic programs which funds energy retrofits in market rate, affordable multifamily structures, so that we had a carrot in tandem with the policy. And that really was the that's the tough part about this discussion is that, you know, one of the other big goals of the city is affordable housing and housing production. And that was the most of the debate about this was about whether or not the standard would increase the cost of housing or discourage housing production. And so it's not an easy conversation.

**Speaker:** That's good to know. So is that debate still ongoing? Is what you're saying or have you come to some conclusions?

**Speaker:** I think if we were to roll the standard out again tomorrow, you would get a lot of testimony about that concern.

**Speaker:** Yeah. Okay. That's all for now. Thank you.

**Speaker:** Well, maybe councilor avalos social housing resolution that's going forward will address some of that in the future as we study that more and we look at our different housing options in this sphere. Councilor kanal.

**Speaker:** Thank you, madam chair. I will I have several questions. So I'm just going to split them up here and make sure I have. I'll come back around. I'll start with how are what is the current set of actions from the from, I guess the city's administrative side to hold pacific power and pge accountable. In particular, you mentioned pacific power is not near achieving their goals. So what are we doing about that? I think there was a very good acknowledgment of the problem statement. But what are the solutions that are already underway and or what can we be doing at the council level to support you in that? And in parallel to that, is having a public electric utility rather than a private one, even under discussion right now.

**Speaker:** So, you know, the regulation of the utilities is the purview of the state. So that is their job. What we do is we tend to advocate, we submit letters of testimony to the public utility commission, to the state legislature anytime there's an option to do so. We have had mayor, former mayors weigh in and just signal to the leadership at the utility commission and in the legislature how important this is to us. We don't really have any other levers other than, I guess, the bully pulpit, if you will. And so that is how we have engaged. I would say, you know, to the issue of a public utility that has been tried in Portland, that has been tried in other locations, the switch from private to public. I have not seen that go very well. It ends up taking decades, lots of litigation, millions and millions of dollars and not usually ending up in the right place. But it is always an option.

**Speaker:** So I guess I'd like just to close the loop on this one before moving on. I'd like a door number three that isn't letting it go, or we're going to lose. That's that's, I think being beholden to private companies and their desire to be climate friendly is not a valid answer. And so I'd love I think this is both for our colleagues and for the administrative side of the city to talk about that. Could you explain what a little bit more detail on what the building climate and health standards are that would apply to existing multifamily and commercial buildings? This was on slides 12 and 13 and why those are the options with the most carbon reductions. There's a later slide that says that.

**Speaker:** Yeah, this is something that a number of jurisdictions and states, it's sort of best practice in our peer communities that we work with on building decarbonization. This idea of building it's called building performance standards or building emissions performance standards. Climate. It has many, many names, but it has emerged as the leading policy tool that local jurisdictions can use to regulate existing buildings and to drive the carbon out of those buildings over time by

setting standards that buildings need to meet. So we have, you know, there are prescriptive approaches that can be used where you are actually mandating what what go, what appliances go into which buildings. Those have sort of fallen out of favor. They don't tend to be as flexible for building owners. And we as the city don't know the buildings the way the building owners know them. So this is a policy approach that kind of merges regulation with flexibility and is being tried in denver, in minneapolis, in Seattle, and quite a few peer cities that are ahead of us. So we've gotten this idea because we're part of networks that focus on this all the time. And this is emerging as a best practice.

**Speaker:** Okay. Thanks. Can you speak a little bit because you have ranges on the charging stations side. How many charging stations are in districts one and two?

**Speaker:** Oh, i'll have to get you back. The specifics on in districts one and two in terms of kind of overall though, we currently have 236 publicly available ev charging stations with a total of 689 ports, and those are the plug ins. One station could have two ports, for example. That's where we currently sit. A few years ago, the Oregon department of transportation conducted its transportation electrification infrastructure needs analysis, also known as the tina report, and they estimated that by 2030, we would need close to 3500 charging ports. So you could kind of get a sense in the next five years, we probably need a5x increase in terms of access to ev chargers.

**Speaker:** Yeah. And that I think leads me to the next thing, which is a follow up here. And i'll pass it over to colleagues. You mentioned that the market is not building an equitable network. And then also on the slide, it says the city will not own, operate or maintain ev chargers. Yeah.

**Speaker:** Why sure. Oh why.

**Speaker:** Why wouldn't why isn't that a policy goal we should be prioritizing as perhaps the number one goal. If the market isn't doing it, why wouldn't it be us?

**Speaker:** Yeah, that's a great question. I think to tackle the first part. You know, the market hasn't been building necessarily an equitable system because most of the charging that's occurring is occurring on private property. It's occurring in hotel parking lots, parking garages, universities outside of businesses. And I think the market has generally said the central city is probably the most desirable place for that. So I think where we've been trying to intervene is to say, well, what if we strategically open up the right of way, you know, the parking strip for charging? How could we use that in order to expand charging into other parts of the city? So that's kind of the overall kind of approach in terms of the question of why we wouldn't own, operate or maintain the ev chargers, I think this was a decision that we made a few years ago. That decision could obviously change under new direction. But I think given pbots, you know, \$6 billion infrastructure deficit and other challenges like that, it seems really hard at this at this point. Those decisions could we could make different decisions, though. There would be a lot of work. I think we would need to figure out what would be needed from a staffing perspective, because there's a lot of very technical work there. And some of those skill sets we don't have, which is why we're currently relying on the private sector as well as our utility partners to provide that.

**Speaker:** Thank you for clarifying. I'll stop here. Thanks.

**Speaker:** We're still doing great on time. We got about 17 more minutes for this section, so no worries if you have a. This is a great opportunity to hear from all of you. So I really appreciate you taking time to answer our questions. Councilor novick is next, but I have a very quick follow up based on what councilor canal had said. So when we talk about the state legislature being the one that has influence

over how we regulate electric companies, can you clarify a little bit? Is it a matter of just political will, like legislators are not moving on this issue? Do we need to be more annoying to them? What do you need from us? You know?

**Speaker:** I sure. I mean, I guess advocacy always helps, but yeah, that is just the Oregon public utility commission is that's their purview. It is. It's just never been in our sphere. So I don't I don't know what else to say about that other than yes, we can continue to make a lot of noise. A lot of advocates are continuing to make a lot of noise. You know, the puc tends to be an extremely conservative body and anyway, but they are going after pacific power in this moment. I mean, there is litigation. They are trying to move the needle on that.

**Speaker:** Thank you. Sorry I won't put you on the spot. Will be annoying to legislators. That's what i'll say instead. Councilor novick.

**Speaker:** Thank you, madam chair. Following up on councilor kanal questions about charging stations, I just I mean, I see that we had a \$3.5 million federal grant to actually set up charging stations. Is that right?

**Speaker:** That is correct. Yeah. Working with Portland general electric and pacificorp. Who are they're the ones doing the installations.

**Speaker:** So. What's your you know, what budget would you like to have to stand up charging stations? I mean, taking into account the need for 3500, what you think might be achieved through the private market with the changes in zoning, etc, that you're doing, if you what budget would be make you feel comfortable? We could hit 3500.

**Speaker:** Yeah. I mean we haven't done an act, prepared an actual budget to get to 3500, and that's something we could do some thinking on. I think we'd be very much kind of probably in the range of tens of millions in order to support both the staffing, the permitting, the policy side, as well as perhaps also provide some

incentive in order to help companies want to set up shop in Portland. I think as the federal government gets ready to pull back out of this space entirely, we still haven't even seen what the shock waves are going to be in the ev charging ecosystem.

**Speaker:** You say tens of millions. I actually kind of expected you to say hundreds of millions.

**Speaker:** I mean, I mean hundreds of millions potentially. I don't know, I think I think councilor novick I'd want to sharpen a pencil to give you a better answer on that.

**Speaker:** What about the cost of power at the fast charging stations? I've heard some people express that at home you can buy power pretty, pretty cheaply. But if you're talking about public charging stations, the cost differential between that and gasoline might not be that great. Could you tell me if what I vaguely remember is more or less accurate?

**Speaker:** Yeah. Thanks. Councilor novick. That's a really good question. As someone who also recently became an ev owner myself, I'm actually experiencing this kind of firsthand. You know, the ability to charge at home in your driveway or garage, if you have those options, is actually pretty affordable in terms of the Oregon public utility commission does set those those rates in terms of what we as consumers pay for our electricity. So if you charge your electric vehicle in off peak hours after 9:00 overnight, for example, you charge, you're paying roughly like nine and a half cents a kilowatt hour. I could charge my vehicle in 4 to 6 hours overnight. It will cost me four \$4 for 250 miles of range. Conversely, actually, last week I was driving downtown and car was running low, so I pulled into a public charger in a parking garage and I was charged about five times as much to get a partial charge. It wasn't even a fast charge. Cost about \$18 to get 150 miles of range. So the prices



are kind of all over the place. I think, as we're looking at how pbot uses the right of way as a strategic asset in this, we are planning on having conversations with companies about what those rates are and how they are ideally structured in a way that is similar to what somebody might pay if they were able to charge at home. We don't want people who can't charge at home to be penalized and be forced to pay a lot more.

**Speaker:** Thank you. I had a question for, well, a couple questions for andrea. One is you mentioned several other cities sort of adopting carbon performance standards. I mean, of denver, minneapolis, etc. Adopted standards similar to what you would advocate for here.

**Speaker:** Yes. And they've done it slightly differently. Some establish energy use intensity. And we are talking about carbon intensity. And the difference there is because of that state building code preemption. The minute we start talking about energy use intensity, we get into trouble a little bit. But the building code does not say anything about carbon. So it's a little bit of a safer route.

**Speaker:** Gotcha. And the other thing I was wondering is to what extent, if any, does pge and pacific cause difficulty in meeting the renewable standard, relate to the absence of sufficient transmission to get clean power from one place to another? And my understanding is that we're kind of counting on bpa to make a lot of investments in the transmission system in the coming years, and that seems to be at risk given recent federal policy changes. So I just wanted your thoughts on that.

**Speaker:** Yeah, a transmission.

**Speaker:** Is a huge issue. I don't think it's the whole answer to why the utilities are not procuring what they need to procure, but that is a huge problem for just even interconnecting the projects that are already in their queue. So transmission is a

major limitation. But there are other challenges on the procurement side. Supply chain issues, labor issues, tariffs are now going to be an issue. There's just been every barrier that you could imagine has been part of what they are facing is what they have told us.

**Speaker:** A tariff is an issue because we get some of our power from Canada.

**Speaker:** I think the tariffs will be an issue when it comes to steel and other components.

**Speaker:** Okay. Sorry. Thank you.

**Speaker:** Thank you, Councilor Avalos.

**Speaker:** One issue that we encountered at Verde, we installed a charging station at the Verde headquarters. And almost immediately after it was vandalized and the cords were cut. Apparently there is some valuable metal inside the cords and we had to get another one installed. And then they were cut again. And so we have been we were trying to think of a solution to that. Right? Because we were trying to offer it to the community, but by leaving it open it was vulnerable, etcetera. So I'm just curious, has that come up? And as you all are talking about installing more stations, is there a plan for how to deal with a growing, I guess, enterprise of folks that are seeking to take the metals out of those charging stations out?

**Speaker:** Yeah. Thanks so much, Councilor Avalos. Vandalism is a significant issue in the EV charging space. There was recently a federal grant awarded to the Oregon Department of Transportation that we helped support them on to try and improve readiness and accessibility to basically go out and fix a bunch of broken chargers. Given the uncertainty at the federal level, I don't know where that grant is at and if that funding will even continue into the future. But one of the things that we've been doing on the \$3.5 million Department of Energy grant with Portland, General Electric and PacifiCorp, these are actually utility pole mounted chargers. So if you

want to go to slide 22 now or later, you can actually see these ev chargers are mounted on utility poles. I think maybe back to more. Oh one more. There we go. The bottom image. These these chargers are actually mounted on the utility poles about ten 12ft up in in the air with a retractable cord. And when you log in in the app to start your charging session, the cord actually descends down. You plug it in. And then when you finish with your charging session, you unplug it and it rolls back up. This is something that Portland general electric, through their utility networks, has figured out, is maybe one of the more interesting kind of vandalism resistant approaches to ev charging. And we're really excited to try and scale this around the city.

**Speaker:** Great. Thank you.

**Speaker:** And maybe real quick, there's also other interesting approaches very popular in europe but hasn't taken off as much here in the united states is also a bring your own cord model. So the charger might look like a bollard or a parking meter about that size. And you as a as a consumer, would have your own charging cable in the trunk of your car and you plug it in to the station as well as your car. And then when you're finished, you you leave with it. They found that that is also a very kind of vandal resistant approach, and more often than not, chargers when they're not working. It's not that the charger itself is broken. Nine nine times out of ten. It's something with the cable that's the problem. And so thinking about how you can strategically address those cable vandalism issues is really important and definitely on our mind.

**Speaker:** Thank you. That's so interesting I didn't know about that. So good to know. Councilor councilor kanal. And then i'll put myself on stack.

**Speaker:** And please cut me off, madam chair, if you need to. I want to know. So my questions are about the reduction goal for vehicle miles traveled. This kind of

grouping of them. When we are discussing later today in the labor and workforce development committee a potential or a proposed change to policy around return to office. And I would like to know from a climate perspective and a reduction in vehicle miles traveled what the impact of the proposal to have non-represented managerial staff return to office five days a week is on vehicle miles traveled. In light of the 20 to 30% reduction goal.

**Speaker:** Yeah. Thanks, councilor kanal I don't think I can speak to that specifically. We could again sharpen our pencils and probably get back to you on that. I'd also like to invite my colleague eric hesa to help respond to this question. Eric worked very closely with the bureau of planning and sustainability team on some of the pathways analysis.

**Speaker:** So sure. Thanks, jacob. For the record, eric hess with the bureau of transportation. Thanks for the question, councilor kanal. So there are, again, I think we'll we can analyze that. I guess I will say also know that there are updates to the commute support program trip as the acronym that's been proposed and is being discussed right now with bureau of human resources. And so that's an opportunity, as we do enter a return to work, to make sure that there are alternatives to driving, that people are aware of, that there is subsidy for, and that they can take advantage of a number of the city wide things such as bike share or things like that that we have available. So we can take a look and try to get a sense, I'm not sure how much information we have directly on sort of past modal practices or what people might do now. We do recognize there's been changed to transit patterns and other things that have occurred in the last few years, but we're clearly centrally located here, right on on the transit mall. And there's a lot of great transportation options coming, coming to the Portland building and other facilities. So that's that's one sort of state of play. We'd also be very happy to come back and go more into depth

around some of the analysis that we did do. In the pbot preferred scenario, there were quite a lot of complications or complexities to that to walk through without a lot of information in front of you. So I'd hesitate to do that a little bit. But it does. I will say, refer to both regional strategies that metro has adopted through its climate smart strategy and its regional transportation plan, as well as also looks to state policies and the need to move forward with some of those, including some of the pricing strategies that have been discussed but also then been paused recently. And so it's a mix of things that are more directly implementable by the city and other things that we need to advocate for. Similarly to what our colleagues mentioned, that would have significant impacts, but we don't have direct authority over. So I'd love to come back and provide more information if that's of interest.

**Speaker:** I don't want to put you in a tough spot either, but i, I think it's clear that if we have more people coming downtown to the office, there will be an increase in vehicle miles traveled. And that the goals that we just talked about included a 20 to 30% reduction, I think, at minimum. And this is an incomplete model, and I recognize that. It'd be nice to know we've seen the reduction in vehicle miles traveled by city staff. There was some modeling done on that due to covid when nobody was coming in, and at least just looking at the ratio of that to the percentage of employees that we're talking about now would be at least a rough ballpark. And we could get an idea. My goal is to understand the percentage increase, you know, not just the raw number of vehicle miles traveled increase. And I'm grateful that you mentioned a few of these things because it gets me into my other question, because I appreciate the point that single passenger evs alone won't get us. There are privately owned evs that we also need a reduction in vehicle trips, which means we need to be looking at public transit expansion and electrification and long term urban planning that supports more walkable, bikeable

neighborhoods. And active transport is definitely a part of that solution. And i, I appreciate the encouragement of people to bike more. I think it is a or walk more. I think it is difficult to make that argument seriously, for someone who would have a 20 minute drive to say, take a one hour bike trip instead. Especially if we're not also making roads safer to bike on. And so I there was one passing reference prior to mr. Hess's comment a moment ago to transit. So I'd like to understand that. And I think this i'll just be transparent. I understand pbot is in a in a financial stress situation, and my vote on the budget as it relates to pbot will directly be tied to how much transit is a part of the answer, as opposed to encouraging individual behavior changes without making those behavioral changes easier. I think Portlanders will make the climate friendly choice if we make it as easy to do that in terms of not creating a time or money penalty for it. So and not everybody can afford an ev, obviously, as you mentioned that as well. So where is the transit in this? Because again, there was very little mentioned about that today.

**Speaker:** Yeah. Thanks, councilor kanal. I'm not the subject matter expert who's best position to answer your transit questions. A number of colleagues that could follow up with you on that. I will say, however very briefly, you know, we do know that trimet is working on zero emission strategies, whether that be hydrogen fuel cell or electrification. They received, I believe it was a 20 or \$25 million raise grant last year to build a new bus depot focused on zero emission. We'll see if that makes it through the all the federal uncertainty. I will say as an agency, we are doing a lot in order to support access to transit. 82nd avenue is a great example of that, where a number of my colleagues are working to really improve access to transit along 82nd, to make headway shorter to make them more reliable, as well as all the other improvements that are going along. So, eric, I don't know if you'd have anything

that you'd want to add. Or we can also follow up with you with with some of our colleagues who are kind of experts in this space.

**Speaker:** I think to go deeper. That would be great. I think maybe just a couple other things I'll note around the city role, recognizing that we do provide some direct transit service through the Portland streetcar and the aerial tram, but we really do work in hand with with the regional transit authority here that provides those services. They are going through their latest update of their long range service plan forward together 2.0. We were able to work closely with them on the first one to share our need and come together where safety improvements or other access improvements can help support changes to their network. So we're deeply engaged with them again in that space, and that is a place I would also perhaps direct your attention, since ultimately they they do control those resources. But in order to also support that partnership, we've done quite a lot of work together, building on our rose lanes initiative and also the regional better bus program to help support transit signal priority, which can make more reliable, shorter trips to your your point around trip and really help them prioritize right of way so that through some of those bottlenecks say near our bridgeheads in the city, you have seen prioritization of busses there so that they can move quickly through traffic and perhaps also show people that if you got on the bus, you might be not stuck in traffic. So those are some of the key pieces that we can implement directly as the city in partnership with trimet, and be happy to come back and share more information about that. Thank you. You're welcome.

**Speaker:** Thank you all so much. I think my questions actually got answered throughout the discussion, and I just really appreciate this. I feel like we got a really good glimpse of some of the work that you guys are doing, and I look forward to working with you on some of the things that are going to be that are ready to go. It

sounds like in the next month or so to see what we can do. And I think that what I really want to highlight here, for my colleagues and for anyone watching, is that you guys have done an immense amount of research and work over the years to get us to this point, and to have some of those things ready on the table for us to act on. And it is our job as councilors, and it's our responsibility to either, you know, push it politically or to fund it, because at the end of the day, the bureaus have to do what we as councilors are directing. And so that's going to be that's our responsibility and our weight to carry. And we appreciate your partnership so much. Thank you so much.

**Speaker:** Thank you. Thank you.

**Speaker:** And diego, could you please read the next item.

**Speaker:** Item two.

**Speaker:** Can you hear me? All right.

**Speaker:** We cannot hear you testing.

**Speaker:** There we go. Item two discussion on Portland fund. Community benefits fund. Budget and purposes.

**Speaker:** Thank you so much. Thank you all again for being here, eric. Sorry we're keeping you here all day long. We are really excited to discuss with staff about the Portland clean energy fund and get some more clarity on around what the Portland clean energy fund has spent money on so far, how they're planning planning to spend money in the future, and to talk about the link between the pcef and the climate action plan, and specifically the benefits of this work on low income and people of color. We're also going to have another panel of community experts from sierra club and the coalition of communities of color to speak about the Portland clean energy fund. So we're so excited to get started on this. This portion of the presentation will be 20 minutes, and then afterwards we'll move to the community



experts, and then we'll have 20 minutes for committee discussion. Thank you so much for being here. You may begin.

**Speaker:** Thank you, madam chair. Good morning council. Danielle, for the record, excuse me of a little thing in my throat this morning. Councilors, before I hand it over to staff to kind of go through the nuts and bolts of the pcef budget, I thought it was probably appropriate for us to just do a little stock take for you all, just for on the record about the program. And just to put it into context of where we're at, both within the city, but then also just how it plays into what comes next for this new City Council, this new form of government. I would be remiss to not start by acknowledging that sf only exists because of the brilliance and determination of community leaders to contemplate, to have this incredible idea, bring it to ballot, and to deliver a one of a kind tool that addresses climate injustice, that helps Portland communities prepare and adapt to the existing climate crisis that we're already in and but also generate good green jobs and wealth for Portlanders who have historically been left out of the prosperity of our city. It's one of a kind. Not only is it a tool for good, but it truly is a gift from community to the city that we have to take the stewardship of very seriously to meet the vision laid out by those community leaders. I start by saying that because at its at its core, at its heart. Pieces were designed to put resources into community leadership, to turn around the ideas that they've been thinking about and contemplating for many, many cases, generations, on how to serve the populations that they represent and support best. And that's still true today. But there's been a lot of changes to the fund for a variety of different reasons, some expected and some not, I think, first of all, to acknowledge to not bury the lead that this city is now responsible for a fund that is projected to be \$1.6 billion in resources in five years. That was not the intent, but also acknowledge it wasn't because there was bad accounting. It's also because

that the businesses and corporations that pay into it saw unprecedented revenue generation during the pandemic that we could not have predicted. So the fund had to evolve naturally because we were not contemplating a fund of this size. So with being responsive to a city audit report that we largely agreed with also contemplating this new fund, the climate investment plan was developed that you'll hear a lot about shortly. I also want to acknowledge that this council has a role to play in the stewardship of the fund, beyond just our staff and the piece of community, the volunteer body that donates way too much time to help us guide the fund. And I want to just acknowledge that our chairs are here today, but also the whole committee puts in countless hours to provide guidance and stability under a lot of uncertainty with the fund. So I want to thank them on the record today for their historic and continued partnership in that way. But lastly, the part that I want to acknowledge is that there's been a lot of ideas, not just in the last few months, but over the last years about how to use this fund. And there's a there's a reason for that. There's a lot of need to address our climate crisis. So I don't begrudge anybody who has an idea on how pcef might be used. What I would ask is that we work within the system that's been laid out in code by the pcef committee, and in the structure of the program to do that. Well, to do that with transparency, so that we're meeting our needs, but also aligning with the mission and the goals of the of the fund itself. And to that end, you'll hear a little bit about this. The last thing I don't want to go without saying from from my seat as the deputy city administrator is the city of Portland. The bureaus of the city have already been committed, just shy of \$800 million in resources over the next five years. I stand by that. The work that was done to get to that point, because I think there's a lot of good that can come from city bureaus being a part of this change of how we do climate justice in the city of Portland. But to make no mistake, the bureau

partnerships that we had are continue to evolve because of the fund, and that's good for all. Portland. So I want to thank my bureau partners, our bureau partners, excuse me, who continue to work with us to deliver on the promise of sf through the city. But make no mistake, the city of Portland as a as an organization is benefiting from the fund as well. So thank you for letting me share those comments to start. But at this point, I'm going to hand it over to the team to walk through today's presentation. Thank you.

**Speaker:** Good morning again. For the record, eric engstrom, the director of the bureau of planning and sustainability. Today we have with me, jess klein and james valdez to give the presentation. The agenda includes reminding you what's all in the climate investment plan, talking about funding commitments through June of 2029 because it's a five year plan, then talking about what specifically is in this year's budget and then go to questions and comments. A few key takeaways. We know from our work over the last few years, there's substantial demand for climate investments across the city and community. I think you've probably heard this, this fact, but when we did the solicitation for the last batch of awards last fall, we had over \$2 billion worth of requests for an allocation of \$150 million. So the climate investment plan is the five year plan that guides the program's investments. And that was the result of the pivot that was made in the in the framework for the pcef work in 2022 to create that plan. That was one of the auditor's recommendations. The cip was developed through a comprehensive public involvement process, and staff will talk more about that. And again, it goes through June 2029, and we have although it's a five year plan, we know that there are going to be annual fine tuning and adjustments to that plan. Not everything is going to go to plan. We're going to learn from both successes and mistakes as we as we work through and, and see that outcome. I'm going to pass it on.

**Speaker:** All right.

**Speaker:** All right. Thank you. Chair morillo and novick, members of the committee, thanks for the opportunity to share about the funding allocations and budget of the Portland clean energy community benefits plan. I want to say the full name at least once, but I will refer to it as pcef. But community benefits are key to the fund. For the record, my name is james valdez and I work at bureau planning sustainability on the pcrf team, where I lead work on strategic partnerships and policy. Typically, in a presentation like this, you would be hearing from our program manager, sam barrasso. But given spring break and everything, you get me, and I'm really glad to be with you today. So, as director engstrom noted, the climate investment plan is the mechanism for allocating funding and setting goals and defining outcomes outcomes of the programs within pcef. This is outlined in our city code that guides pcef and the eligible uses of our funds. The climate investment plan was first adopted in late 2023, following over nine month process where we engaged with hundreds of community members, subject matter experts, city staff and had a variety of different workshops, both in small groups as well as publicly to shape it. And then it was subsequently amended by the pcef committee and City Council last year to include the city climate projects that you'll hear about in just a little bit. This is a five year plan, with funding allocated until June of 2029. And as we look at the different funding pathways, there's really two, two routes that are directed in the city code and in our in our plan, there are strategic programs which are designed and directed by pcef staff, but then implemented either through nonprofit organizations, government entities like city bureaus or administrators that are contracted to take on specific elements or administration of programs. And then there's community grants, which remain the heart and the core of the pcef vision. Those are led by nonprofit organizations, community based organizations

who submit their grant applications. And we have this now on an annual basis. Those applications are then reviewed and scored through a competitive selection process, where there's criteria that include the climate impact as well as the benefit to pcef populations. And I just wanted to announce publicly that we just launched a new open period for those community grants just yesterday. So we're excited to see the ideas that come in through through that process. And again, as director engstrom noted, while the climate investment plan is a five year plan, we know that minor adjustments will be needed along the way and that this work is dynamic. There will be an annual update process starting this fall, with the opportunity for public input to guide and shape that, and then a recommendation will be made by the pcef committee that will come to you all at City Council for your consideration and adoption within the climate investment plan and the city code, there's designated eligible funding areas, and I'm going to go through them just briefly here. The energy efficiency and renewable energy funding area is primarily consists of improvements to the heating and cooling systems, insulation and equipment that helps save energy, serving to reduce energy use and lower bills in people's homes, community spaces, small businesses and for public entities, including the city. Then there's transportation decarbonization, which you heard a little bit about in the last presentation as well. And these are pcef investments focused on mode shift and making it easier for people to get around our city by walking, biking, or using public transit, as well as that fuel shifting piece that is around shifting towards electric vehicles and the infrastructure needed to support them. We have funding allocations for green infrastructure, which is primarily focused on tree planting and maintenance, helping to sequester carbon, cool our urban heat islands and providing health benefits as well. And then we have regenerative agriculture, which are projects working to increase local food production for priority populations and

practices that help sequester carbon within the soil. We have funding allocations specific to climate, jobs, workforce and contractor development focused on programs that help diversify the workforce and opportunities and trades that are directly related to implementing climate work. But I want to note that while pcef has specific workforce allocations, we also have workforce development opportunities integrated throughout all the other funding areas as well. And then capacity building, recognizing the need to grow the capacity of smaller organizations to scale up and deploy climate projects that they've designed. And then we have an allocation for other emissions reducing projects that have a clear and measurable greenhouse gas emissions reduction or sequestration nexus.

Okay. When we look at the total allocation of that \$1.6 billion of funding, that goes until June of 20, 2029, we see that the largest recipient of funding is city bureaus, which collectively are responsible in the cip for deploying \$740.8 million of funding across 32 different strategic programs and grant awards. Next, we have community grants totaling \$363 million, and those are allocations for the annual grant rounds that I talked about. We have five strategic programs within the climate investment plan that will be deployed through competitive solicitations for program administrators, and that totals \$311.9 million. And then the last two allocations that you see in the lower right there are to other public agencies who are deploying pcef funding, with programs totaling a bit over \$120 million to improve the energy efficiency and cooling and electrify transportation in the six school districts, districts throughout Portland, and an allocation of \$55.8 million to trimet for the 82nd avenue transit project, which was awarded through the competitive collaborative for climate action funding of opportunity that happened last year. I'm going to dive a little bit more into the city bureau allocations and give you a bit of a sense of the amazing work that's happening throughout different city bureaus and

implementing pcef projects. And so, as I noted before, the city bureaus collectively have the largest allocation of pcf funds. There are 37 strategic programs in the climate investment plan, and 28 of them are delivered directly by bureaus. We don't have time in this presentation to walk through all of them, but i'll provide some highlights of these programs. And you received a table in your committee materials of all the allocations and programs, as well as a full 150 page document of the climate investment plan. In addition, pcf made eight awards last year through collaborating for climate action funding opportunity, which was focused on large transformative projects that were done in partnership with community organizations. Four of these awards were to city bureaus, including bureau, fleet and facilities, prosper, Portland bureau planning, sustainability, and Portland bureau of transportation. So city bureaus are implementing programs in a variety of the different funding areas, and i'll go through a few of them here, and then we can dive into more details if you have questions. Portland bureau of transportation is deploying sidewalk, bicycle and safety infrastructure totaling almost \$90 million in four different programs. This includes capital projects, improving safe pedestrian crossings, building new sidewalks to help students get to school where they're currently lacking, and creating wider tree shaded, tree shaded sidewalks on 82nd avenue. They're also increasing the energy efficiency and infill of street lights and high crash corridors, which provide greater visibility and safety, benefiting pedestrians, cyclists and drivers alike. Portland housing bureau is responsible for \$100 million in funding focused on both building new, energy efficient, affordable apartments throughout the city, as well as helping retrofit existing multifamily properties to be more energy efficient and safer, maintaining the lifespan and utility of those affordable housing properties. Portland parks and recreation is deploying a significant amount of funding totaling \$157 million for programs

focused on street tree planting and low canopy neighborhoods, maintaining trees in city parks and launching a new program that will care for mature street trees around the city and relieve property owners of that cost burden. Bureau of facilities is using pcef funding to implement the city's electrification goals. Some of the ones that you just heard about in the previous presentation, and they're deploying \$29.2 million of funding towards the acquisition of new electric vehicles that will serve different bureaus throughout the city, as well as installing the charging infrastructure and training up their technicians and servicing this new electrified fleet. Through partnerships with multiple bureaus, we're funding energy efficiency retrofits and renewable energy at city facilities to lower operating costs, make them more climate resilient and improve services to the public, including during extreme climate events. This includes upgrades to four community centers managed by Portland parks and recreation. Major facilities serving Portland water bureau, and the relocation retrofit of the new qatar garage facility on swan island, which will replace the kirby garage. And then last but not least, bureau of environmental services is receiving \$79.9 million total for work and continued management of natural areas, planting and habitat restoration and floodplain management and mitigation. Again, this is just a sample of the important work that's happening within city bureaus. Here on this slide, you can see the total amount of funding going to each bureau over the five year span of the climate investment plan, the bureau receiving the largest amount of funding here is Portland parks and recreation, at \$179.7 million, and then followed by Portland bureau of transportation at 164.8 million. You can see the other allocations for each of the bureaus here, but I'm not going to walk through them all. For the broader picture of the pcep budget and some details, I will pass it on to my colleague, jess glynne.



**Speaker:** Hi. Good morning. For the record, my name is Jess Klein. I am pccp data systems and performance manager, and I'll be walking through the budget both over the five year period and for this fiscal year this morning. Next slide please. An important concept to understand when we talk about pccf funds being allocated in the climate investment plan is that many of the projects funded by pccf ramp up over time. This is because many of the projects are capital improvements or they require some form of startup process. So think like the procurement process and the timeline associated with that. This slide shows the expected expenditures by city bureaus over the next five years. As you can see, the ramp up starts pretty. It's pretty clear in the chart starting in the first year, which is where we currently are. You have lower expenses predominantly associated with personnel costs and start up costs. You then see a sharp ramp up starting in years two and three, a leveling and slight dip in years four and five. This is what we would expect to see in expenditure model that that we're going for. So when we talk about the \$740 million that are currently being allocated to city bureaus, it is important to remember that a lot of that spend the ramp up starts this coming fiscal year. Next slide please. Moving on from the bureaus. Want to take a moment and talk about some of the other programs that we have with pccf, starting with our community grant allocations. As James has stated, our community grant programs are direct grant funding given to community based organizations. In 2023 2024, we awarded \$91 million in grants and have recently opened the 2025 grant cycle to award \$72 million. These award caps are higher than our expected award cap of \$60 million, and that's to respond to high demand. And the pension, excuse me, the potential loss of federal funds because of that, though, something you can see is that in 2027 and 2028, that funding cap is lower. We are planning to evaluate what the funding demands are as we approach those times and what funds may be available at that

point. Next slide please. In addition to the bureau led projects and community grant allocations as a program, pcef is also creating additional programs to support greenhouse gas reductions and community benefits. We have three programs equaling \$210 million over five years starting this fiscal year to support areas such as clean energy retrofits and single family homes, increased access to e-bikes and provide clean energy upgrades and unregulated, affordable multifamily housing. We also have engaged with other public agencies, such as Portland public schools, to improve building energy efficiency, improve land management on school grounds, and bus electrification. We have also partnered with trimet to make significant improvements on 82nd avenue to improve service, decreased travel times, and improve safety and accessibility. Next slide please. All of this brings us to where are we with the fund balance. And that is what is on the on the slide on this chart. The gray bars are the expected fund balance during that fiscal year. As you can see the fund balance is currently at what is at its expected peak starting next fiscal year. We expect that the fund balance will start to drop as more programs come online within the climate investment plan, and grants mature at the same time that this is happening. Revenues, which are reflected in the blue area, are currently expected to remain relatively flat during this time period and expenses which are denoted by the green line, are expected to double within the next couple of years. This means that by years four and five of the climate investment plan, we expect the fund balance will be less than revenues. This is expected and manageable. However, this also means that right now we do not have a lot of room for adjustment for what is already allocated in the climate investment plan, and that we will be significantly more sensitive to revenue as this fund balance is spent down. To help mitigate and prepare for this, we are in the process of developing a reserve policy to set aside \$100 million to ensure stable funding over the life of the

cip, and that's what is denoted by the red dotted line. This is roughly equal to half a year of revenue. It's designed to help us navigate a moderate downturn in year to year revenue without having to cut funding allocations, or if, for whatever reason, there's a long term dip in revenue, we will be able to manage that proactively instead of having to make a snap cut decision, which could impact projects which are already underway. Next slide please. This is a snapshot of the currently the current fiscal year 2025 2026 budget. Our total budget is around \$340 million. Next year, 42% of that budget is currently allocated to going to bureaus through strategic program. An additional 5% is currently allocated to the city's general fund for the interest transfer. This equals roughly about 50% of pcef spending next year, or \$162.7 million. 33% is currently allocated to community grants, or \$110.5 million. 14% is currently allocated to strategic programs, \$47.1 million and 6% is currently allocated for administrative costs, or \$19.4 million. And with that, we are open to any questions or discussion.

**Speaker:** Thank you so much. I really appreciate that breakdown and all of your expertise on this. Councilor avalos and then councilor novick.

**Speaker:** Could you go back to the slide that showed significantly less dollars 36 million for cbos?

**Speaker:** You mean this slide? No. Oh.

**Speaker:** It was a graph. And this one.

**Speaker:** This one. Okay.

**Speaker:** I want clarity I want to understand why it's dipping so much for or help me understand is this showing me that the amount you all are planning to allocate to cbos or in community grants is going to be going down to 36 million. Why?

**Speaker:** So I can answer that question, councilor. The reason why is because basically we have had we are shifting the funding forward. So as you can see, the 91

million, the 72 million, the overall allocation inside the cip is \$361 million. And that's for the five year period. And so right now we have to stay within that \$361 million. And so by having a higher cap now that means that we have to lower allocations later on. Now more money may free up. We may have additional revenues. So that is what we're going to be looking at as we approach those time periods. The other thing to kind of keep in mind with this is that, again, these are our 3 to 5 year grant cycles. So a lot of these projects are really gearing up right now. And there was a lot of pent up demand. And we're not 100% sure what that demand is going to look like in a couple of years.

**Speaker:** Councilor avalos can I one other element to this is last year's rfp originally was for a \$60 million allocation and for the for the grant, excuse me. And through the cip, we bumped it up to 91 because the demand was high. As council when we and this this annual true up that we'll do with the cip, you all will have the option to move that dial as well as we get in those out years. So council will continue to be able to influence the cip.

**Speaker:** The reason that it caused alarm to me is speaking to a larger value and comment that I want to make. The entire reason that pcef was created was because community banded together to seek resources due to the city. Historically, underinvesting in frontline communities, period. So I think that is really at the core of what pcf is, and is how I am deciding how those dollars get spent, because as far as I'm concerned, the city has not and or needs to continue to hold itself accountable to how it is making those decisions and that it has community in mind. It concerns me because, you know, and donnie knows this because I've been very vocal about it in recent years. But we have shifted so much of the pcf to the bureaus. Again, the bureaus who have been unaccountable to community. And I don't really I understand where they're going. You know, I get the philosophy. I see

the public good, of course, and I want those dollars to come to bureaus because, you know, you we can implement them in smart ways. And I am still needing a high level of accountability for how those dollars get spent, because I don't I don't see the direct. It kind of gets muddled, right? It goes into the bureau and it disappears. You know, you have a plan, but I don't know that I feel comfortable with the way that the city has been showing how they're continuing to engage those very communities that need these dollars. So when I see that money go down, it concerns me because I was already not happy about the way that it was going. You know, when the cip, I was working behind the scenes with the city as an advocate, you know, from my position at verde, to ensure that we were protecting those dollars for community. I was part of the capacity building workgroup. I know it has changed, and I can't remember the exact number because I talked with sam about it, but at the time it was \$8 million was allocated to cbo capacity building. That's not enough. And the reason is because especially in that last funding cycle where the rfp was went out and was asking for \$20 million projects, that takes a lot of expertise, technical expertise. It takes a lot of work. That is a huge demand on communities who are already struggling to ask them to do that. And guess who benefits? Shovel ready projects, industries that have have these. The capacity to do that benefits from it. And guess what? Those are not the industries that are supporting our communities. And so I have been deeply concerned about that pot continuing to diminish. And also not a lot of effort, in my opinion, put towards how we're actually going to increase capacity for cbo so that they can respond to their communities. I think, you know, any government grant is onerous. We know that. But especially the burden that communities have to front the dollars because it is all reimbursement based. And so if you don't have if you're getting a grant of \$4 million, but you don't have \$4 million as a small cbo serving underserved

community, then you are not competitive for those dollars. And you just simply don't. You don't have the capacity to implement them. So I am going to continue to harp on this, because I am deeply concerned that I'm not sure that we have strong systems of accountability to show the ways that we are connecting back to the original mission and ensuring that communities are the focal voice. Again, I'm not saying you're not doing that, and I think the pcef committee is doing a great job to keep that mission at the heart. But I have to look at the history, and the history has shown over and over and over again that the city does not prioritize frontline communities. And so when I see that amount increasing, going to bureaus and not really seeing how we are continuing to reach back into those communities, that gives me great pause. So I'll leave it at that.

**Speaker:** Thank you for those comments. Councilor avalos, I'm going to flag that the next panel is going to start at 1105. It's 11:00 right now, so we have five more minutes for questions here and then we'll have more. That panel will be 15 minutes long, and then we'll have a bit more time at the end for any of our panelists who we may have questions for. And with that I will pass it over to councilor novick and then councilor councilor kanal. But yeah.

**Speaker:** So I wanted to focus in on some of the uses of pcef money. I mean, my view has always been that anything that pcef spends money on, there should be some sort of analysis of, was there something else you could have spent the money on that better reduce carbon emissions and help low income communities and people, people of color. And I want to ask about a couple of specific expenditures as to whether that analysis was performed. One is, it's my understanding that pcef is taking over responsibility for maintaining all street trees across the city, including in areas like laurelhurst and eastmoreland and irvington. Taking over responsibility from homeowners. And that's going to cost \$65 million over the next five years.

And was there any analysis done to see if there was a way to spend \$65 million that might have more climate benefits and more benefits for low income communities and communities of color?

**Speaker:** Briefly address that. Councilor novick. Thank you for the question. In working with Portland parks and recreation on that proposal, which was included in the climate investment plan, there was a lot of demand and interest from community organizations who had been advocating for decades, really for a shift in the cost, responsibility for street tree maintenance. And the \$65 million that you referenced is really the ramp up of both the pilot program as well as there will be some geographic, I guess, prioritization or rollout of that that they'll have to do. They're in the process of developing that. And that is something where I think you, as council can provide some direction perhaps. But the vision of making it to where people can have a street tree that provides shade provides those both ecosystem and direct benefits, is something that the whole city deserves. And so caring for trees has been a cost burden in some of the reasons that people, even when trees are free, they sometimes don't want them because of that perceived cost burden and maintenance. But to the question of whether there was evaluation of exactly what else could be done, I think that is the process of the climate investment plan and the feedback that we get, both the staff and the conversations we have with the pcef committee and then ultimately with you all as council.

**Speaker:** But what did members of the pcf committee? Did they ever say we were spending \$55 million on transit? And we've all agreed that in order to reduce our carbon emissions and allow people, particularly low income people, to get out of their cars, we need more transit. Did anybody ever make a decision? Investing money in street trees is more important than investing money in transit, in terms of both climate and community benefits. And I ask that I say i, I don't think that council

has made these decisions. I don't think you did. But I just want to know if somebody decided that street trees are more important than transit.

**Speaker:** Councilor. I could maybe offer that in this particular last, you know, this particular tranche of five years, the process has been incremented because we started out with a climate investment plan, and then we amended it. And also made decisions during the budget process. So, you know, just by that history, it's a little bit more incremental than we than it might otherwise be going forward, if that makes sense. You know, so because of that, there wasn't a holistic look at the 1.6 million entirely.

**Speaker:** And councilor, this is you're actually poking at, I think, what makes the fund so brilliant in its design is it's not just been counting greenhouse gases. It's also looking at resilience. It's looking at, you know, investments in communities. It's looking at jobs and workforce in a way that makes those that indexing. I think you're alluding to just more unique and complex. And I think the staff and the committee have done a great job of trying to do to put those systems in place. So we are comparing sometimes apples to oranges, because you're right, there are definitely projects out there that are going to always index way higher on the emissions reductions, but we may not see that immediate benefits on the ground or in the pocketbooks of our small businesses. Our black, indigenous and people of color owned businesses or non-profits. So there's just a lot of things to take into account. I also offer that, and as James alluded to, we've had a large demand for more investments in our green infrastructure, both from our urban canopy, regenerative ag, and just the things that help minimize and reduce the heat island. So these are all the things that are contemplated. But yes, these are the opportunities and challenges of managing the fund.



**Speaker:** Okay. I just want to say for the record, that I don't think that taking over responsibility for street trees from people in eastmoreland serves any particular equity goal either. But also wanted on the school investments, 120 million in school hvac systems, etc. Were those investments that oh.

**Speaker:** I'm so sorry, but I want to make sure that we have time for our panelists because I know they have to leave right after. Would you guys are you going to stay in the room for follow up questions? I think we'll have ten minutes after prepared questions. Apologies, colleagues. This is obviously a big discussion and we'll have to bring it back maybe for another round of questions. But our I think I call them up right. Okay. Could our community experts, damon from sierra club and jenny lee from coalitions of communities of color come up now, please.

**Speaker:** Thank you.

**Speaker:** This mic goes in and out. Thank you so much for being here today. We'll have 15 minutes for your presentation and then a bit of time for discussion as well.

**Speaker:** All right. Thank you so much. Good morning to chair morillo chair novick councilor avalos. My name is jenny lee. I am with the coalition of communities of color. For the record, I am a registered lobbyist with the city of Portland. And for a very brief background, the coalition of communities of color were an alliance of culturally specific organizations. It's been highly engaged from the early phases of a pcf policy development through the campaign, as well as its implementation over the past years. So very excited for damon and I to join you to talk about the origin and history of pcf as a policy measure and implementation and the future. So thank you.

**Speaker:** Good morning. Thank you so much for the opportunity to testify. For the record, my name is damon monostori, and I work as the Oregon chapter director for the sierra club, which has nearly 58,000 members and supporters from across

the state of Oregon. We're the regional chapter of an organization that's been around since 1892 protecting public lands, water, wildlife and more recently, environmental and climate justice. And so we were incredibly proud to be to be invited and to be able to consider joining the efforts in the 20 tens to basically ban together between conservation and environmental interests and racial justice and social justice advocates, to figure out how it is that we could solve some of the really intractable issues that we were seeing, and particularly a really persistent racial and environmental wealth gap in the city of Portland. And so I'm excited to get to dig into it a little bit more with you all. So this is my, my, my little banner photo for us. You may recognize some faces there up at the podium is now state senator con pham, who is one of the original leaders of some of the groups that worked to put pcef on the ballot and get it passed. And this was really a historic and many years long process to even get to the point of petitioning to put it on the ballot. And it was a historic campaign that really attracted a lot of national attention, including we were a finalist for the 2020 American climate leadership awards. The campaign organizers and got a recognition from gina mccarthy, former epa administrator, in that process. So truly, if we are to take a time machine trip back to the 20 tens and remember what were some of the issues and what were some of the problems we were seeing? Communities of color were experiencing and still experience some of the worst impacts of climate change, such as extreme heat, due to a legacy of environmental racism that we see through infrastructure investments that were disproportionate based on redlining and other racist housing discrimination processes. And then this map here is a commonly referenced one in all of our work together, which is the heat islands. And so that's one of the most direct examples of the ways in which disproportionate impacts affect Portlanders of color and low income communities in our city. But the other

issue that we were trying to address is that funding for environmental work was held mostly by predominantly white conservation organizations, such as my own. And we recognized that we needed to do something to change that dynamic fundamentally, so that communities of color could self-determine what was what was necessary in order to correct some of these inequities. And so this pie chart that we see here, this was from a survey in 2008 of environmental funding. And you can see the green wedges there at the top are, you know, 2% and 3% respectively, of all of the grants that went to communities of color in Oregon. For environmental work. And so the thing that we can all feel really excited about and happy about is that this pie chart would look really different today. I haven't seen data on it and analyzing exactly what the landscape looks like now. But the environmental justice sector led by black, brown, indigenous and people of color organizers has really grown. And the efforts around Portland clean energy fund and the investments that have come from Portland clean energy fund are a huge part of the reason why that has changed. So, you know, that was the problem. What was the solution? We made corporations pay their fair share and reinvest that money in community climate resilience, good green jobs and energy retrofits. And so essentially, going from a world in which there was always this scarcity mindset around these different projects to saying, all right, we will come up with our own solutions then for finding the revenue to do this work that is so important. But we continue to be told that it's not the right time or that there's better uses for those funds. So I'm going to, you know, we're kind of going to get into the weeds a little bit here, and I'm going to pass it over to jenny to kind of talk about some of these other basic principles of the Portland clean energy fund campaign. But, you know, really it was it was as simple as taking just 1% from the richest 1% and saying that, like, they are not paying their fair share, and they actually have also some of those same billion

dollar corporations that pay into the Portland clean energy fund surcharge are the very same ones that have not accounted for all of the pollution and impacts of their supply chains and activities. But this was truly a historic and monumental partnership between racial justice advocates and conservationists to address climate change and the racial and environmental wealth gaps. It took a lot of organizing. We had to gather over 34,000 valid voter signatures and submit those to qualify for the November 2018 ballot. And then 65% of Portlanders said yes to that. And it was truly a monumental ground building campaign that had over 100 groups endorsing the measure and encouraging a yes vote that included trade unions, many neighborhood associations, small businesses, and community based organizations. So I'll pass it over to Jenny to talk a little more about.

**Speaker:** Thank you. So I wanted to also offer a reflection that state senator, now state senator Con Pham shared with us from her time on the working in local advocacy here and shared that in response, there was this attitude of scarcity and that this really was something that communities were able to create, not just as the vision for policy, but also as the revenue mechanism. And working on the campaign in 2018, genuinely empowering for Portland to be able to generate its own funding during a time of Trump's tax cuts, corporate favoritism and also targeting the city of Portland when we were really under siege, that this was something we could show we were building our own brighter future. And so it is a very unsettling time, almost of déjà vu, to be under the second administration. That piece of hope continues to be a spot of hope. It reminds us that we can retake power more locally and broadly, and we also have a frame around an equitable climate solution. Especially as federal funding for this kind of work is evaporating and is already impacted, many important programs investments both at government but as well as community based organizations. So we continue to have we are so fortunate for an opportunity

that is unique, relatively unique around the country. So, so we did when with the two thirds of Portlanders voting yes on a ballot initiative, there was a very clear directive for a climate and economic justice measure and a reminder that ballot initiatives, they are a form of direct democracy that is a essential core part of policy making in the state of Oregon and the city of Portland. We have a long history of the ability to bring forward community visions and make the case to voters for their support. And so I think in addition to what the values were and how this was constructed, even how we were able to make this happen is an important reminder. So for the next, moving to the implementation phase for the community centered climate investment plan, passing that in 2023 guide more grants and bigger infrastructure projects. So this aligned with bringing us back to the pcef values that aligned in many ways and complemented our goals of self-determination, community solutions, as well as responsive to the needs, desires and an evolving climate working to mitigate disparities. And throughout all of this, it has been essential to ground it in community accountability. That was one of the biggest components and policy deliberations and drafting the initiative was to have a very diverse grant committee with specific areas of expertise related to the fund, as well as geographic diversity and representation of Portlanders. And so that ability to of the grant committee was charged with intentionally shaping the program and oversight. So you've heard more in detail on the climate investment plan, and that has represented an opportunity to make strategic, large scale investments in addition to the community grants that remain at the heart of pcef. This process to develop the climate investment plan, i'll be direct is very, very distinct from many of the current revenue conversations that are emerging forward right now from folks seeking to fill the budget gaps. The climate investment plan, it was an extensive process. Hours and hours of meetings with community members,

with our colleagues, organizations and so many others where we did have the ability to provide key input into decision making and have voices with real weight. And because of that process, there is significant community buy in. As pcef went and we went into something that did not feel very secure and really expanding beyond the community. Grants know that expanding some degree of access to resources or power could put a yet again communities at risk. And so that process did help to really mitigate that. And that's been borne out in many of the collaborating for climate action projects that will help bring many longtime community priorities to fruition. Their energy, transportation, community, solar, and really added the capacity then to have these at transformative scale. So the capacity building for cbos remains essential. The ability to plan and grow our infrastructure. But we also know that there are some projects so large and complex at scale that when we're able to pair them with community partnerships and ongoing accountability, that we're able to do both. We know it's not an either or for community grants and important city climate projects, and you're not going to have 100% buy in on every element from our partners and across the across leadership. But at the core, we know that if we can commit, stay true to these values, that to continue making meaningful investments and community along with government accountability will be key to the success of pcef moving forward.

**Speaker:** Thank you, jenny. And it's I think it's really worth emphasizing that, you know, there's been some rhetoric around pcef being flush with cash or, you know, just like a massive stack of, of dollar bills hanging out at the bts offices. Right. And I think that we've we've already kind of gone through and debunked that. Right. We've, we've seen the charts and know that it's been fully allocated. I think it's worth also pointing out, though, that the need has gotten greater also. So the revenue is larger than people expected it to be in 2018. But also the need is

exploding as well. And if you look at simply just utility cost increases over the past five years, Portland, general electric, pacific power and northwest natural are all on track to have had 50% rate increases over the past five years. 50% rate increases. That's an enormous increase in cost burden to families, on top of the inflation and cost of groceries and food. And so when you look at the revenue mechanism, we actually see that that was a pretty good idea to say just 1% from billion dollar corporations that have over \$500,000 in annual sales in the city of Portland. That meant that we are a little bit inflation proof. So when everything got very different around the pandemic and people shifted a lot of their consumer strategies to big box retailers and things like that, and inflation started to kick off. That's when we saw a real huge revenue spike here. And so that's why that happened. But let's remember that it's not that we it's not that we said we need \$30 million every year. We came to we came together and we said we need a lot of resources to be able to tackle what is one of the defining crises of our time. And we said 1%. We did not say 30 million a year, right. And so that was what was what the estimate was from the city revenue office at the time. And that revenue projection has changed as the world has changed. But the need is there, and we truly do need every dollar we can get to address some of these exacerbating crises, because things like the 2021 heat dome was much, much more intense than than anyone thought. Climate change is essentially happening faster and impacting us more severely than we expected. So with that said, I wanted to also just talk about sort of all right, reflecting on where we are today in in 2025. We've talked a lot about sort of the history and things. But as I said, it really does require every dollar we need. And I want to say just briefly that this also the intention that we had behind this was around reducing inequities that were persistent and difficult to solve and also to fuel innovation and big new ideas that were constantly being shot down and told there's no money for it. Right.

And kind of being pitted against each other. The intention was not to create a life preserver for basic existing city infrastructure like parks and sidewalks. And I think it's worth really re-emphasizing that there already are a lot of dollars that the bureaus are expecting over the next five years for some of those city infrastructure issues. And so, you know, some of those things are really good, right? And I think it's really important for us to remember that we're not out here saying that there can only be community based organizations receiving funding. We understood that when the revenue picture changed, we needed to be adaptable. And we understood also that not every project is going to be appropriate to be stewarded only by a nonprofit organization, and that some of the larger scale, big impact projects that we can do together are a better fit for direct bureau funding. But we're already there. We have already invested a lot of that money. And as Jenny mentioned, we went through a very important process to decide how that would happen. And I cannot emphasize enough that the process matters. However, it is that we talk about updating, amending, changing the climate investment plan, or responding to current community needs. Communities have to be at the table because this is fundamentally designed by and for communities in the city of Portland. And in this age of Trump administration, 2.0, I think it's clear that communities need the support that PCEF offers now more than ever, because many of the federal funding sources are under attack. Portland will be continually under attack by this federal administration, and I think we can all expect that climate change. Many of the worst case and worse case scenarios are what we should be prepared for. So climate resilience. Thank goodness we have PCEF. We should be considering ourselves very lucky as this city that we did this. Finally, I'll just sort of end on saying that I hope that we can take a look at the story of PCEF, which was truly a coming together of so many people across different lines of differences



and identities and backgrounds, saying that what can we do to make sure that the people who have a lot of the money are paying their fair share and investing in the things that we need to see in our communities? And I would just encourage that Portland City Council, that you take a look at those kinds of bold revenue ideas to create long term solutions to the budget crisis that the city is in right now. So thank you very much for the opportunity to present with you today. We'll leave you with just a couple of quotes from real leaders in this this sector. Doctor robert bullard talks about something that I think we really embodied here with the with the clean energy fund campaign, which is that grassroot groups really can, can challenge the business as usual idea that, you know, wildlife and conservation oriented groups are sort of, you know, the experts of this sort of thing, when in fact, activists of color, their constituents and their life experiences of social, economic and political disenfranchisement is what makes those community members the true experts in this conversation. And then something that I always remember is just this, this, this note that our energy systems are changing. We are adapting to climate change. That transition is now inevitable, but justice is not. Thank you.

**Speaker:** Thank you both so much for being here. I it's 1123. This committee has to leave at 1130. So I'm going to end all of my comments. I'm going to just gavel us out very quickly towards the end. We have a few minutes for questions for this panel. And I'm going to say let's focus on this panel, because we don't always have access to community experts, and we can follow up with staff later more often. And with that i'll pass it to councilor novick.

**Speaker:** Thank you, madam chair. I just wanted to echo your comment, damon, about the \$30 million and to add my comment that \$30 million would have been a pitifully small amount to reduce our carbon emissions to address the impacts of climate change on low income communities and communities of color, and enable

those communities to participate in what we hope will be a new clean energy economy. With \$200 million, you can actually make a difference. And the idea that because we can, that pcef should be limited to the amount of money that we knew would have been pitifully small, strikes me as misguided. And I appreciate your saying that pcef is not intended to deal with things like basic parks maintenance, which is what some of my colleagues think we should use pcef for in this budget crisis. So I just wanted to say thank you very much.

**Speaker:** Councilor avalos.

**Speaker:** Yeah. Thank you so very much for your community perspective, which is what I was speaking to in my last comment. And again, I don't want this to come off as me saying that what we are doing is not the right path. I think we are on the right path. My concern is that there are folks that are trying to take us off that path, and I want to continue to advocate for community groups to be at the center of the decision making, because I'm still deeply concerned that so much of the dollars have come, have become insular, and are being maintained by the institutions that have never served us. That being said, my question is, how are you experiencing that as we are implementing the cip, right? And part of the cip two was the area of strategic partnerships so that we could have long term partnerships with community groups instead of this one time grant thing, which is helpful and needed. And how do we build a sustainable partnership between community and the city as we continue to implement the cip? I was just curious if you had any comments on that?

**Speaker:** Yes. So I think we it's certainly it would not be the level of kind of the climate investment plan, those kinds of many rounds of community engagement. But I do think that via the grant committee and also huge credit to the pcef staff for the ability to continue soliciting feedback. There's a reason that this many years

later, we are we're still here and continuing to work on this. I think that it is to somewhat one of the challenges is that it is often incumbent upon community based organizations to take that time, as you know, to hold folks accountable. And so it's an immense amount of technical work organizing political capital. So I do hope that with council, we'll also have those opportunities to really be in communication like this. We're really grateful to be able to speak directly to the committee and really air that in a candid way, that this dynamic with the new council, where we have such diversity and differing perspectives, I think we're able to communicate and even a more vibrant conversation, and so certainly look forward to exploring insights that may come from you all as councilors, as well as the bureau of planning and sustainability and pcef staff to continue that really ongoing partnership, particularly. We are excited with coming together on the collaborating for climate action. I'd note with that specifically, many of those are pretty long established partnerships with community based organizations. So a testament to the incredible work that's come before. But there are opportunities even to work together in different ways. So for us at c.c.c, for example, working in education and supporting school districts via helping inform programing and investments, now it's an opportunity to partner in implementing climate solutions in our schools.

**Speaker:** That's really great. The only thing I would add is that our original intention, the groups that put this on the ballot, could see very much that there were a lot of communities out there that had great ideas for how to improve their, their, their communities, but they didn't have an official business or nonprofit association to be able to apply for funding for that project. And in many cases, grant funding is something where there's so many hoops to jump through. There's so many, you know, like there's so much social capital you need to have in order to

apply for government grants and report on them. And it's very onerous. So I think one of our, our north stars was we want to make sure that groups that are not privileged and who don't have that access to these kinds of grant writers and bureaucratic systems and things like that, can still have their initiatives funded. And so that's a very important north star for us as we move forward, is not just preserving the community grants and making sure that that doesn't keep shrinking, but making sure that we're continuing to build capacity and invest in helping folks be able to apply for those grants and make good use of them so that this is being shared, not just among folks that have really good grant writing teams.

**Speaker:** Thank you so much. Councilor kanal has one question that he wants to get on the record, and then I'm going to have to gavel us out. It's obvious that this discussion needs to continue to happen, so we'll make sure that it's a robust discussion as we move through this budget cycle.

**Speaker:** Councilor kanal thank you, madam chair. Thank you, councilor avalos, for everything you said. And I'll cosign all of that as well as councilor novick. And thanks to the panel, this question is actually more for city staff. So I'm trying to get this on the record here. My I'm trying to understand when we fund city bureaus, to what degree does that free up general fund dollars for non climate related expenses by taking on obligations that would normally be done through the general fund, and to the degree to which that money is \$10 million, is going to a general fund bureau, \$3 million comes from pcef. That frees up \$3 million of general fund for what? And that that's the question that I'm trying to understand better as we go. And then the other part of it is I noted that in slide 13, there's an assumption made that \$18.8 million in interest is already being allocated. My understanding is that that's the council's call and not anything else. But I wanted to understand that. I don't think

we have time to answer that. But I do think it's important that we get that on the record. And I'll pass it back to you, madam chair.

**Speaker:** All right. Thank you. Thank you, everyone so much for being here. This is a really important discussion, and it's very clear that we need a lot more time. So I will continue working with my co-chair, councilor novick, to continue this discussion. Really appreciate community experts being here and getting to center some of your expertise today. And we will continue to do that moving forward. Our next meeting is going to be on April 10th, and we are we don't have a set agenda yet, but inevitably we will be focusing on the budget through June. So with that, I will close us out at 11:30 a.m.