



## **PORTLAND CLEAN ENERGY COMMUNITY BENEFITS FUND**

### **Portland Clean Energy Community Benefits Fund (PCEF) Climate Investment Plan Preliminary Draft Public Comment**

### **Public comment received from public partners**

#### Public partners and page numbers

1. Public partners feedback guide
4. Portland Parks & Recreation (PP&R)
7. City of Portland Bureau of Environmental Services (BES)
13. Prosper Portland, Economic Development Department
18. City of Portland Bureau of Development Services (BDS)
26. Portland Bureau of Transportation (PBOT)
29. Port of Portland
31. Home Forward
36. Portland Housing Bureau (PHB)

## Public Partners Feedback Guide

### Portland Clean Energy Community Benefits Fund (PCEF): Climate Investment Plan – Preliminary Draft

#### Background

At the direction of Portland City Council, the Portland Clean Energy Community Benefits Fund (PCEF), in collaboration with the [PCEF Committee](#), is developing a 5-year Climate Investment Plan (CIP) to guide the investment of \$750 million in PCEF funds to achieve significant carbon reductions in ways that benefit those most impacted by the climate crisis.

Using information collected from workshops, surveys, roundtable discussions, subject matter experts, community studies, research, and best practices, a preliminary draft of the CIP was made available on March 13 for public review and comment. The purpose of this public comment period is to test concepts in the draft CIP by gathering feedback on the proposed funding allocations, strategies, and goals, and to hear additional ideas for consideration.

#### Review the CIP draft

Review the preliminary CIP draft to learn about the draft funding allocations and strategies. [This link will open a new window to the draft plan.](#) When you are done reviewing the plan, we encourage you to use this guide to organize your feedback.

#### Consider with an Equity + Climate Framework

Any strategic program concept considered for approval must align with PCEF's priorities. The four prompts below outline key elements of PCEF's equity + climate lens that a strategic program concept must affirmatively answer to be considered for inclusion in the CIP.

Exceptions include capacity building and workforce development which do not have direct GHG reductions.

- **Benefits to frontline communities** – will the program create clear, significant, and measurable benefit to frontline communities?
- **Implementation feasibility** – can the program be realistically implemented at scale with existing City staff, partners, or contractors over five years?
- **Climate impact: greenhouse gas reductions** – will the program result in meaningful and measurable greenhouse gas reductions/sequestration?
- **Accountability** – do accountability mechanisms exist to ensure that communities of color, low-income populations, people with disabilities, and other vulnerable communities benefit from the strategic program? Is this program additional to existing or planned efforts?

\* PCEF priority populations are people with low income and people of color; priority populations for workforce and contractor development projects also include people with disabilities, women, and other people experiencing gender or sex-based discrimination in the workplace.

**How to provide feedback:**

- Email your feedback to [cleanenergyfund@portlandoregon.gov](mailto:cleanenergyfund@portlandoregon.gov) by April 7.

**Guiding questions for public partners feedback**

1. Which funding area are you commenting on?
  - Clean energy in regulated new and redeveloped multi-family affordable housing
  - Clean energy in single family homes
  - Clean energy in unregulated multi-family housing
  - Clean energy for small businesses and small commercial buildings
  - Building upgrades for community severe weather response
  - Transportation decarbonization
  - 82nd Avenue – a low-carbon and equitable corridor
  - Community based organization (CBO) capacity building
  - Regenerative agriculture and green infrastructure
  - Workforce and contractor development
  - Access to fair and flexible capital
  - Equitable tree canopy
2. What program elements might be missing that should be added to the preliminary draft that aligns with PCEF's climate + equity framework? In your recommendation, please describe:
  - a. How does your recommendation(s) impacts benefits to frontline communities and measurable greenhouse gas reductions/sequestration?
  - b. How would your recommendation(s) impact or improve accountability to PCEF priority populations?
  - c. If you believe your agency should administer a strategic program, please describe how you are well-positioned to do so. Please include core competencies and efficiencies for implementation.
3. Any other comments to share including what is working well in the CIP draft and how to strengthen community and climate benefits.



MEMORANDUM

DATE: April 7, 2023

TO: Portland Clean Energy Fund staff

FROM: Laura Lehman, Senior Environmental Planner

SUBJECT: Preliminary Draft Climate Investment Plan Feedback

Thank you for the opportunity to comment on the preliminary draft of the Portland Clean Energy Community Benefits Fund (PCEF) Climate Investment Plan. Portland Parks and Recreation (PP&R) has reviewed the document and submits the following comments for your consideration. Please reach out to Laura Lehman ([laura.lehman@portlandoregon.gov](mailto:laura.lehman@portlandoregon.gov), 971-930-0104) if there are follow-up questions or additional explanation would be helpful.

1. Strategic Program 12: Like Strategic Program 12, Street Tree Expansion, which provides funding support for street tree expansion specific to the 82<sup>nd</sup> Avenue corridor, PCEF funding should also support the large tree median effort of the Portland Bureau of Transportation (PBOT) and PP&R which will help create a low carbon, equitable 122<sup>nd</sup> Avenue. This project will also provide street tree canopy in an area of low canopy coverage in East Portland and create a visible and lasting positive impact on that community.
2. Strategic Program 5: Strategic Program 5, Building Upgrades for Community Severe Weather Response dollar amount needs to be much greater than the \$30M allocated to support this work. The PP&R Community Centers are used as resiliency centers in every extreme weather event (smoke/heat/cold) to shelter houseless people and other people in need of relief from those events. These community centers will also be used to shelter all Portlanders in a natural hazard event such as a major seismic event.

**Administration**

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**PORTLANDPARKS.ORG**  
Commissioner Dan Ryan  
Director Adena Long



- There are 5 major PP&R community centers and each one could cost \$30 million individually to renovate and retrofit to be a resiliency center.
  - Mt. Scott Community Center (MSCC) Renovation is a PP&R capital project and is currently in progress. There are potential changes to the design that would create a facility with the greatest emergency event resiliency, but current funding is insufficient to achieve this goal at this time. With \$ 3.5M additional dollars, the MSCC Renovation project would be able to increase emergency event resiliency by incorporating a high-performance HVAC system, increasing lighting efficiencies, and adding additional seismic resiliency to the design. The following additional project components could also enhance emergency resiliency and allow the MSCC to provide refuge for community members during emergencies such as severe weather conditions: better than code wall and roof insulation; better than code window insulation; high performance exhaust fans; 2,000 gallon water storage tank.
  - Retrofitting existing community centers are large capital projects that can help support workforce and contractor development – especially those COBID firms that the City of Portland would like to support.
3. Strategic Program 5: Strategic Program 5, Building Upgrades for Community Severe Weather Response incorporates outcome to improve continuity of services during power outages. Micro-grids are complex. If PCEF's intent is to do many on smaller buildings, in addition to community centers, it might make sense for this to be a managed program whereby the program itself (or its designated implementing partner) has an option where it does the feasibility and implementation on a shortlist of applicant's buildings (based on some criteria). It would reduce transaction costs and maximize installed kilowatts.
  4. Transportation decarbonization: The transportation decarbonization funding category should include support for installation of electric vehicle charging stations at parks (especially regional destination parks such as Washington Park) in order to provide access to charging infrastructure in places where Portlanders gather.
  5. Regenerative agriculture: For the regenerative agriculture funding category, public agencies should be eligible to apply for community responsive grants as well as the funding available under Strategic Program 9. PP&R sees potential to create a project to build community gardens with community partners if public agencies were eligible for this funding source. This would be consistent with the climate and equity framework established by PCEF because PP&R has

expertise in building community garden spaces and can use that expertise to serve frontline communities.

6. General comment: Public agencies should be eligible to apply for community responsive grants under the green infrastructure funding area. The community gardens program within PP&R is engaged in ongoing work with the Native American Community that is not always about agriculture, but that could be supported by this funding source.
7. General comment: It would be helpful for the Climate Investment Plan to include an explanation of the decision process as to why some categories are public-agency ineligible/eligible/lead. What criteria were used in making those determinations? This information would likely be of interest to both public agencies and community organizations. The document currently does a great job outlining the steps in the CIP Development Approach, but not rationale for this decision specifically.



# CITY OF PORTLAND ENVIRONMENTAL SERVICES



1120 SW Fifth Ave, Suite 613, Portland, Oregon 97204 ■ Mingus Mapps, Commissioner ■ Dawn Uchiyama, Director

## Memorandum

**To** Portland Clean Energy Community Benefits Fund Staff  
**From** Nishant Parulekar & Kate Carone, BES Resilience Program  
**Copy** Dawn Uchiyama, BES Director; Kristen Acock, BES Strategy & Integrated Planning  
**Date** April 7, 2023  
**Subject** Bureau of Environmental Services Comments on Draft PCEF Climate Investment Plan

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Thank you to the Bureau of Planning and Sustainability for soliciting input on the draft Portland Clean Energy Community Benefits Fund Climate Investment Plan (PCEF CIP). The Bureau of Environmental Services (BES) is deeply supportive of climate action and PCEF's strategic approach to funding a clean energy future for frontline communities. Immediate, tangible, and meaningful action is needed in the face of the climate emergency, especially for those who are disproportionately bearing the impacts.

For over two decades, BES has been implementing green infrastructure in partnership with communities across the city, building neighborhood resilience to intense rainfall, flooding, and extreme heat. It is with this experience and interest in climate mitigation and adaptation that we have reviewed the draft CIP and summarized comments and questions in the table below.

The table lists two categories of comments: those informed by intersecting BES experience and programs, and comments pertaining to City Core Values of anti-racism, transparency, communication, collaboration, and fiscal responsibility. Please note that if there are two comments in the same row (a comment in the "BES Perspective" column and a comment in the "City Core Values" column), those comments are not intended to be related.

These comments were gathered by the Resilience Program team within BES. Please direct any follow-up questions to Nishant Parulekar at [nishant.parulekar@portlandoregon.gov](mailto:nishant.parulekar@portlandoregon.gov).

Comments from BES Perspective	Comments Based on City Core Values
Climate jobs, workforce, and contractor development	
	<b>Goal measure:</b> Recommend including a metric for utilization of local workforce.
	<b>Certification support:</b> COBID certification can be onerous and limit the number of contractors that may apply and/or make it through the City RFP process. This is especially a concern for the Equitable Tree Canopy strategic program. How can City contracting rules help lift up rather than limit

	City contracts with businesses owned, operated, and staffed by PCEF priority populations?
<b>SP3: Clean energy improvements in single family homes</b>	
<b>Floodplain properties:</b> Any improvements in the regulatory floodplain would need to conform to NFIP standards as enforced in City codes (i.e. heat pumps and electrical panels would need to meet our BFE freeboard requirements). Some investments could reach the level of NFIP “substantial improvement” (= or > 50% of the value of the structure) and trigger requirements that the entire structure be brought up to NFIP minimum standards (e.g. a home with a basement might need to fill it in and lift the house). BDS may be considering updating the code to make substantial improvements cumulative, so if a person made some improvements now, then remodeled their kitchen in two years, they could suddenly be in a very awkward place. This issue should be reviewed by the Floodplain Administrator at BDS.	<b>Property taxes:</b> Do these types of improvements raise property values and, if so, is there a chance low-income property owners will see their property taxes increase?
	<b>Applicability for rentals:</b> It looks like eligibility is based on the income of the renter, which seems like a privacy issue and doesn’t account for tenant turnover. Could it instead be associated with homes that rent at a certain cost related to average units of that size? Or, to units available to folks at a certain income level? (Could you adapt affordability standards used for multifamily housing or use a standard provided by PHB?)
<b>SP5: Building upgrades for community severe weather response</b>	
<b>Seismic upgrades:</b> Would eligible seismic upgrades include whole structure upgrades or incremental seismic upgrades that allow for other types of eligible improvements to be made? We are supportive of seismic retrofitting but note that seismic improvements for one building could easily take up the entire 5-year fund.	<b>Batteries:</b> For a global equity perspective: with so much emphasis on renewable energy and battery systems, there should be an ethical code of conduct on battery material sourcing and manufacturing that looks at the social and environmental impacts of battery sourcing so that we are not polluting communities in other states let alone other countries.
	<b>Qualifying properties:</b> Clarify if religious institutions/churches, which often serve as community gathering spaces after emergency events, qualify for application.
	<b>Suitability analysis:</b> It’s excellent that there is \$200k set aside for building suitability analyses. There may already be a course-scale analysis of PP&R and library buildings to draw upon and narrow the field without doing more in-depth building-by-building analyses.



SP6: Comprehensive e-bike access and support	
<p><b>Greenways:</b> Bike usage is improved by having safe corridors to ride. Might this be an opportunity to also improve and expand bike lanes to facilitate safer e-bike usage and, especially in East Portland, incorporate more green infrastructure and shading along those greenways so that corridors can be safer during heat and rain events? This is consistent with Comp Plan GOAL 3.E: Connected public realm and open spaces. Suggest including references to the additional public health and environmental health (water quality, noise reduction) benefits of e-bikes into the “description” section of this strategy.</p>	<p><b>Funding:</b> The State is also considering a rebate program (\$1,500 or higher) for e-bikes. Recommend clarifying how this program would work if the State also launches a program. For example, could these be compounding subsidies?</p>
	<p><b>Storage:</b> Will people be able to safely store and charge their e-bikes where they live or work? Apartment building bike storage, where it’s available, is very vulnerable to theft, and people working in the service industry or manufacturing often do not have safe indoor locations to store their bikes where they work. Recommend exploring partnerships with large employers and apartment building owners to provide safe storage, charging, and other bike-related facilities where they are not already required by code. These supportive services should be considered eligible as part of bigger proposals.</p>
	<p><b>Biketown:</b> Would expansion of the Biketown fleet, territory, and access be eligible? This would be an easy way to increase biking without having to address storage and resale issues, although these bikes do not necessarily work for people needing to regularly transport children or haul materials.</p>
	<p><b>Eligibility and Accountability:</b> Similar programs highlighted on Next City call for riders to commit to certain mileage, participate in training, and operate the bike for a period of time before it is theirs. The idea of offering this program directly to bike shops raises concerns about income-qualified folks securing bikes through this program and selling them to others. Are there safeguards against that?  <a href="https://nextcity.org/podcast/finally-lets-talk-more-about-ebikes">https://nextcity.org/podcast/finally-lets-talk-more-about-ebikes</a></p>
Green Infrastructure Maintenance Reserve	
<p><b>Scope of Maintenance:</b> Maintenance is about more than pruning services. The Plan description implies important and holistic services, but goal metrics only include pruning services. What about risk assessment, treatment for pests/pathogens, and sidewalk repair? Are trees on private property</p>	

eligible? The lives of large mature trees, especially evergreens on private property could be extended. Maintenance of large evergreens helps to maximize co-benefits including stormwater management.	
<b>Maintenance Assistance Program:</b> BES learned over years of canvassing and tabling that people are concerned with maintenance, infrastructure repair, and costs in general. Folks who can't take on the burden of tree care say no to trees. Having a maintenance assistance program in place first would change the nature of the "free" tree offer and make it more meaningful for priority communities PCEF aims to serve. Will maintenance assistance extend beyond five years?	
<b>Green Infrastructure Language:</b> Green infrastructure is defined as, "green infrastructure focused community responsive grants are intended to capture investments in urban tree canopy, green roofs, bioswales, and other projects that use vegetation, soils, and other elements to sequester carbon emissions." However, everything else under this section addresses only trees - there's no other mention of green roofs or bioswales. If the "Green infrastructure maintenance reserve" is just for street trees, the language should be modified to remove green roofs, bioswales, etc. or specifically note that non-tree green infrastructure (green roofs, bioswales, etc.) is ineligible.	
<b>SP8: Equitable tree canopy</b>	
	<b>Program Process:</b> PCEF funds are by and for frontline communities. Recommend clarifying governance and decision-making process with Urban Forestry and the communities. Recommend documenting how tensions between the community and City staff will be addressed (concerns voiced by community partner organizations and during public feedback process).
	<b>Transparency:</b> Baselines for existing programming are needed to make transparent that PCEF funds are not being used to backfill existing City programs.
	<b>Gentrification:</b> Tree planting and other green infrastructure projects have been implicated in gentrification in Portland

	and other cities. Clarify how PCEF and the partner organizations are addressing this currently and/or moving forward.
	<b>Workforce Development:</b> Moving forward with the tree planting work aggressively before a robust apprenticeship program is built may make it difficult to use the opportunity the program provides to meaningfully invest in green workforce development.
<b>SP9: Increasing urban farming opportunities – planning and land acquisition</b>	
<b>Water Quality:</b> It would be helpful to have prospective urban farming proposals reviewed for potential water quality issues. For example, Zenger Farm maintains a buffer between its farm and the adjacent wetland to protect the wetland.	<b>Growth Management:</b> There are benefits of urban farms for education, local food assistance, and food sovereignty, but they raise questions from a growth management perspective. Land acquisition for food production on urban land is expensive (state land use laws were put in place to protect farm and forest lands). It also has implications for the availability of land for housing. For those reasons, it may be preferable to support co-locating food production on lands that serve other uses rather than ones that promote the establishment of standalone urban farms. Potential locations include schools, places of worship, unused ROW, public facilities, utility easements, in addition to backyards and community gardens. This might be a helpful resource: <a href="https://pdxscholar.library.pdx.edu/usp_murp/52/">https://pdxscholar.library.pdx.edu/usp_murp/52/</a> Amanda Rhoads (BDS) worked on this effort.
<b>Scope:</b> This language seems restrictive if Indigenous partners want to grow native crops for native uses that are not necessarily for food. Same response on S8. BES has partnered with Wisdom of the Elders to grow crops on a BES property, Shwakuk Wetlands, in NE Portland.	<b>Ownership:</b> Recommend considering or clarifying whether there will be certain requirements around long-term management of properties, ownership, and whether instruments like deed restrictions might be required.
<b>Acquisition &amp; Ownership Capability:</b> NGOs without experience in real estate may not be able to manage the acquisition and ownership process. It may be more appropriate to either offer real estate consulting services to assist with the process of acquiring the property or have an option for the property to be owned by a land trust (e.g. Columbia Land Trust) or government entity (e.g. Metro, PP&R, BES) but managed by the grantee.	<b>Water use:</b> Portland Water Bureau anticipates having adequate water supplies, but it should be noted that growing food requires a lot of water, and climate change is making some water sources in the PNW less reliable. Irrigation in urban ag settings can also be very expensive.
<b>SP11: 82<sup>nd</sup> Avenue climate infrastructure and community resilience grant program</b>	
<b>Funding Scope:</b> BES supports the proposal's inclusion of depaving and landscaping. Could the fund also support more intensive greening projects on multi-family, school or nonprofit properties? It seems like some of these projects could require	

more funding than would be available through the smaller-scale grant program and could provide additional benefits beyond what can be funded through existing programs.	
<b>SP12: Low-carbon, equitable 82<sup>nd</sup> Ave. corridor</b>	
<b>Private Property Partnerships:</b> Trees are very much needed along this high heat commercial corridor, but because there is very little plantable ROW, this would require robust culturally appropriate community engagement with property owners to facilitate planting on private property. This corridor is dense with underground utilities that will pose challenges to planting in some locations. PCEF should consult with BES O&M and Engineering staff. Coordination with Portland Water Bureau is also recommended.	
<b>Coordination:</b> Coordination between this program and the BPS planning folks could increase the benefits of this effort and further the goals of the Comp Plan's Civic Corridor concept on 82 <sup>nd</sup> . For example, could special zoning provisions be added for the corridor that provide incentives to providing increased greening (including tree planting) on private property adjacent to the corridor? Thought would need to be given to how the code provisions and PCEF funding interact, but it seems like these two efforts would improve the outcomes for the corridor.	
<b>SP14: Climate-friendly public schools</b>	
<b>Maintenance:</b> BES has decades of experience working with school districts on implementing green infrastructure. Schools and school districts are generally supportive of green infrastructure, but long-term maintenance, vandalism, and safety are always concerns that need to be adequately addressed before projects are undertaken.	

## **Portland Clean Energy Community Benefits Fund**

### **Prosper Portland Feedback on Climate Investment Plan Preliminary Draft**

To: PCEF Team, [cleanenergyfund@portlandoregon.gov](mailto:cleanenergyfund@portlandoregon.gov)

From: Prosper Portland, Economic Development Department

- Katherine Krajnak, Green Cities Liaison, [krajnakk@prosperportland.us](mailto:krajnakk@prosperportland.us)
- Pam Neal, Manager of Business Advancement Team, [nealp@prosperportland.us](mailto:nealp@prosperportland.us)
- Morgan Masterman, Project Manager for Inclusive Business Resource Network, [mastermanm@prosperportland.us](mailto:mastermanm@prosperportland.us)
- Robert Smith, Manager of Entrepreneurship and Community Economic Development Team, [smithr@prosperportland.us](mailto:smithr@prosperportland.us)

Thank you for the opportunity to comment on the Climate Investment Plan Preliminary Draft. Prosper Portland has an equity-driven mission and develops programming to support wealth creation in BIPOC communities. Economic justice and climate justice are related, and both need to be addressed to create an equitable and sustainable future. Therefore, these comments will be very focused on that aspect of our mission which we believe is shared between us and will be a shared mission in the new citywide economic development strategy, Advance Portland, going to city council April 26<sup>th</sup> for consideration.

The feedback was drafted by Morgan Masterman, project manager for Inclusive Business Resource Network (IBRN) and Katherine Krajnak, Green Cities Industry Liaison, in consultation with our managers, Pam Neal for the Business Advancement Team and Robert Smith for the Entrepreneurship and Community Economic Development Team.

Feedback is split into two sections 1) general feedback and questions and 2) identification of Prosper Portland expertise and efficiencies for implementation.

#### **GENERAL FEEDBACK AND QUESTIONS**

##### **1. General**

- Which Strategic Programs can government agencies apply for? The public partners presentation said government entities are an allowable applicant for 9 SPs, but the CIP only identifies SP 3 and SP 5.

##### **2. Funding Category: Workforce and Contractor Development**

- Page 8 under Equity + Climate Framework: capacity building and workforce development are mentioned as exceptions to the GHG emissions requirement. Why isn't contractor development also an exception? Support for BIPOC-owned businesses to enter and grow in the climate sector will not have direct GHG reduction but is critical to advance this work.
- General comment and questions: Who is included in the term contractor? Is it possible to clarify what types of businesses fit under that category. It's clear that service contractors for PCEF projects (i.e. solar installers, electricians, energy efficiency engineers) are included in this term but does this also include climate tech companies that are producing a product or service that would serve a national or international market? Some examples I have in mind include:

- Willamette Technical Fabricators – BIPOC and women owned metals fabricator aggressively pursuing the clean energy market where there are large metal installations needed such as for wind or wave energy. They also do a on the job training program for BIPOC workers.
- OpConnect: Black led charging as a service company, actively recruiting BIPOC youth to get into the industry as field technicians.
- Photon Marine: Latino led company designing and building electric motors for boat fleet applications. Founder is also very committed to recruiting and growing diverse talent.

These companies are generating wealth to benefit the next generation of BIPOC workers and founders via workforce investments, future investments in new businesses and mentorship for future BIPOC talent and founders. Supporting them means also supporting future generations of BIPOC led innovation and talent in climate tech. I could see these types of companies as great fits for the flexible access to capital if they deliver some sort of workforce training component, but it would be nice to see if there's a possibility to support earlier stage BIPOC climate tech innovators and we are happy to be a thought partner to think through the ways to do this.

To conclude – Can we have a clearer definition of “contractors” for contractor development and is there a place in the CIP for BIPOC climate tech innovators?

- Page 13 under Goal Measures: In addition to measuring the # of contractors supported, we recommend tracking a growth measure. This can be done in several ways and we are happy to share more about how we track this for our business development programming.

### **3. Funding Category: SP 1, 2, & 3 Clean Energy in housing**

- What is the tie in for the WF/Contractor suballocations – do the funds have to go to workers and contractors working on housing projects funded via that SP?
- For the WF/contractor suballocations can applicants apply for a portion of this funding or are you looking for one administrator for the full suballocation? (related to SP 1, 2, 3 and 5)

### **4. Funding Category: SP 4 - Small Commercial Investments**

- Clearly define “small business.” Suggestions include
  - 50 or fewer employees
  - Less than 3 (or 5) locations, not a franchise
  - Must have brick and mortar location
- Consider support for property ownership, loan fund with reduced interest rate based on GHG reduction with energy efficiency investments

### **5. Funding Category: SP 13 - Access to Capital, Workforce and Contractor Development suballocation**

- Overall feedback to support building acquisition by BIPOC small business owners
- Opportunity for collaboration with SP4, such as financing for the 25% match if the building is owned by business

## **PROSPER PORTLAND CORE COMPETENCIES AND EFFICIENCIES FOR IMPLEMENTATION**

We see many opportunities for alignment with our existing programming and core competencies.

### **1. Workforce and Contractor Development Community Responsive Grants**

We see an important alignment between the contractor development community response grants and business technical assistance via the [Inclusive Business Resource Network \(IBRN\)](#) and [Community Opportunities Enhancement Program \(COEP\)](#). Since contractor development is not a strategic program, it doesn't look like this is a funding category we can administer but do have efficiencies we have built over the past decade for this service delivery model and have successfully delivered industry specific programming such as cannabis and construction. All entrepreneurs being served in IBRN and COEP benefit from a pool of professional services and other wrap around services. Data tracking is monitored via a centralized system. We would be open to brainstorming on how we can integrate PCEF contractor development community responsive grants into IBRN efficiencies.

The same is true for workforce development. We have a robust decades-long partnership with Worksystems supporting both youth and adult workforce development and industry specific programming. As you know, Worksystems is the region's Workforce Development Board and as such receives state and federal funding in addition to the city funding passed through Prosper Portland. They have fine-tuned their service delivery model, reporting system and RFP process for grants. Similar to the leveraged services provided through IBRN, Worksystems is able to provide participants with wrap around services.

Finally, coordination would also be beneficial for community partners who spend a significant amount of time managing contracts across multiple funders, using different data systems, requiring different reporting measures, etc. If there is room to coordinate, we welcome the opportunity.

### **2. Strategic Program 1, 2 and 3 – Clean energy in Housing, Workforce and Contractor Development suballocation**

We believe we are well-positioned to administer a portion of the Workforce and Contractor Development suballocation under these Strategic Programs. The PCEF team recently shared some of the goals/outcomes associated with this funding with our IBRN partners which, across all 3 Strategic Programs, included: training, mentorship, retention grants, and equipment purchase. All of this is currently provided by partners we fund via IBRN, COEP and Workforce Development grant programming. The following summarizes how we are well-positioned to administer this programming.

- Existing program supporting the construction industry (both workforce and small business) that could be leveraged, partnering with Worksystems and various community partners
- Broad network of community partners with existing relationships in the BIPOC small business community and construction workforce
- Program and grant management infrastructure
- Reporting systems measuring individual grantee performance and collective impact

### **3. Strategic Program 4 – Small Commercial Investments**

We believe we are well-positioned to administer a portion of this Strategic Program. In addition to coordinating with IBRN and COEP programming, we would utilize our existing infrastructure for granting funds for building improvements via our Prosperity Improvement Program, Repair Grant Program and Community Livability Grants. In addition, some of this funding would be programmed via IBRN and COEP to support additional equipment purchases for contractors. This would pair grant funding with advising services. Our culturally-specific advisors are trusted partners in the community and can support businesses in prioritizing investments and growth strategy. Also, as we continue to build out the [Portland Small Business Hub](#), we can leverage the work of the central resource and small business navigators to support businesses to better understand some of the considerations surrounding these types of investments.

We would partner with an organization to support energy assessments, as we do not have this expertise in house.

### **4. Strategic Program 13 – Access to Capital, Workforce and Contractor Development suballocation**

We believe we are well-positioned to administer a portion of this Strategic Program, the Workforce and Contractor Development suballocation. This program would align with the programming identified above – supporting the growth of businesses in the green economy, construction, and climate innovation, as well as providing additional financing options for small businesses to purchase buildings (in coordination with SP 4). In addition to the core competencies and efficiencies mentioned above (IBRN, COEP, Workforce Development, Green Cities industry cluster), we have a robust lending team and infrastructure to maintain a lending portfolio and service loans generated through this program.

### **SUMMARY**

In summary, there is a great opportunity to coordinate programming among the Strategic Programs mentioned here (1, 2, 3, 4, and 13) toward a more impactful investment. We are in a unique time where there is an influx of funding and attention around climate, construction, small business and workforce development. PCEF funding is a large component, and we also see investments and programming via items listed below. Being thoughtful and intentional about leveraging our collective investments can lead to greater progress on both the economic justice and climate justice fronts.

- Infrastructure bill
- Business Oregon (small business technical assistance programming, Economic Equity Investment Program, innovation hubs)
- Regional Workforce Equity Agreement and associated Funder Collaborative
- COEP funding (1% of hard construction costs of city-owned public improvements)
- Prosper Portland's Workforce Equity fund
- Additional ARPA programming that is just starting (Prosper's Small Business Stabilization program)
- Advance Portland economic development strategy



- Clean Air Construction Program
- Cannabis tax revenue (small business programming, SEED grants)
- City request for state funding for a Bonding and Technical Assistance program
- 82<sup>nd</sup> Ave investments
- SW Corridor work

Thank you again for the opportunity to provide feedback. Please reach out to us if you'd like to further discuss.

## **Background information and PCEF recommendations from BDS**

- The planned PCEF investment of \$140,000,000.00 that is prioritized to complete deep energy retrofits in owner-occupied homes for homeowners from the BIPOC community and low income community whose income is under 80% area median income is an excellent way to complete the following:
  - Repair and preserve housing in Portland
    - Especially for low-income homeowners from the BIPOC Community
  - Reduce homeowner's costs to heat and cool the home
  - Make the home environments healthy
  - Address climate justice.
- The Empowered Neighborhoods Program serves homeowners from the BIPOC and disability communities.
  - Over 55% of the clients speak a preferred language that isn't English.
  - Nearly all of these priority homeowners have incomes that are less than 80% area median income.
  - Many are multigenerational homes
  - Some of the homeowners support refugees from their culturally specific community in the home.
  - Many of these homeowners work several jobs to be able to afford their mortgage and family expenses.
  - Nearly all do not have excess cash reserves
  - With few exceptions, the homeowners that I serve, from the BIPOC and disability communities, own older Portland homes that are built before 1955.
    - Most own homes that were built between 1904 and 1940.
- When I listed and explained the potential benefits provided via PCEF to the homeowners that I serve, my clients responded as follows:
  - 100% of them were highly interested in having the energy assessment completed on their home and the deep energy upgrade work completed.
  - 95% were also very interested in solar generated power.

- These older homes pose barriers to energy upgrade implementation due to deferred maintenance and existing original built conditions including:
  - Knob-n-tube wiring
  - Vermiculite insulation
  - Leaky roofs
  - Black mold at roof or at walls due to high moisture (can't insulate)
  - 100 year old plumbing
  - Dry rot
  - Lead
  - Asbestos
  - Undersized electrical panels
  - Improper wiring completed by non-licensed electricians
  - All gas major appliances (no PCEF funding for fuel switching)
  - Etc...
- Focusing on low-income homeowners from the BIPOC community is exceptionally important to climate justice, but it poses several challenges:
  - Money is needed to pay for the work that needs to be done before the energy upgrades can be implemented.
    - These priority homeowners don't have an ability to cover the costs to correct these existing conditions in preparation of energy upgrades.
- PCEF offers a 30% allowance of the total project cost to cover these "indirect costs." It is a good start but it is an insufficient amount.
  - The dollars are inflexible
    - The houses are all different and the cost to overcome the issues that block implementation of the deep energy upgrades needs to be flexible and adequate to meet the need
  - The dollars are inadequate
    - The 2 largest PCEF round 1 and 2 grantees (African American Alliance for Homeownership and Community Energy Project) are both struggling with the 30% indirect cap.
      - Referrals are getting rejected

- Rejections are made on all projects with work needed to allow for non-profit to complete energy upgrades that exceed the 30% allowance,
  - Low income homeowners from the BIPOC community are saddened.
    - This isn't a positive program for climate justice when you can't serve low-income BIPOC homeowners where they are at.
    - Harm done to homeowners from the BIPOC community by a program administered by City Gov't when expectations are crushed
      - Clients feel judged for not having a "good enough" house for PCEF benefits
- Referrals that need all possible energy upgrades are getting 1 or 2 items implemented because of the aforementioned barriers in the home
  - One PCEF grantee recently identified 8 energy upgrades that would be helpful to a low-income homeowner from the Hispanic community whose house was built in 1950.
    - Due to the challenges in the home, this PCEF grantee wanted to cover 2 of the 8 identified needs
      - Because the homeowner has current funding from the Housing Bureau for a new roof and plumbing issues, the PCEF non-profit asked if the Housing Bureau could cover the cost of the remaining 6 deep energy upgrade items.
        - This makes no sense!

- Energy upgrades should be covered by PCEF not the Housing Bureau
  - This request would not have been made if the PCEF funded non-profit had adequate indirect cost funding
- PCEF funded non-profits are carrying the cost for some of their clients.
  - Some are using their own non-profit's grant funding to pay for these indirect costs for the client
  - Some are fundraising to pay for the indirect costs
  - Some are writing grants to cover fuel switching from gas to electric
    - When PCEF has the funding, it is NOT inappropriate for the non-profits to cover these energy upgrade funding needs.
    - If PCEF wants to fulfill its mission, it needs to fund ALL of the work that is absolutely needed to reach that goal
      - ...without creating a burden on the very community PCEF was designed to serve.
- Solar projects would truly benefit homeowners from the BIPOC Community
  - Lowers cost to heat and cool home (for homes with efficient major home appliances)
  - Reduces bills that homeowners struggle to pay
  - Good for the planet and addresses climate change
  - Can be used to charge an electric vehicle
    - Low cost transportation
    - Better for the environment
  - Reduces dependence on grid
    - Helps when power goes out in high heat events

- Battery provided by PCEF helps when sun is down
  - Upload excess power to the grid
- Large barriers exist for PCEF funded solar
  - Even for an ideally situated and structured home, homeowner needs to have a newer roof.
    - Huge expense for low-income homeowners
      - Most can not afford to do this
      - Will PCEF provide this support?
- Barriers exist for older homes with roofs that lack multiple load points, even if they have a new roof and are properly oriented for solar.
  - Engineered solar permit is required
    - Engineering needs to be completed
      - Costs money
      - Takes more time to complete engineered permit and its required drawings
      - Engineering costs may not be easily predicted in advance
      - PCEF does cover engineering, but non-profit must be able to anticipate the exact cost at the time that the grant is written.
        - This is unrealistic unless an engineer agrees to a fixed cost on every project.
        - Too risky
        - Too much time between drafting of grant and implementation
          - Does not allow for inflation or changes in costs
          - Engineers don't really like to work for fixed costs
          - Does not account for unanticipated engineering requirements.
          - Does not account for difficulty with permitting/time to address multiple checksheets.
- Roof/load support must be augmented to meet prescribed engineering

- Costly
- Difficult to anticipate at time of grant
- Costs to complete augmentation may vary from time grant is drafted
- Contractors typically don't commit to a fixed cost when bid is given many months in advance of work
  - Plus, the work is unknown until the engineer prescribes it
- Does not account for inflation of materials
- As a result of these difficulties, PCEF funded non-profits avoid all solar projects where an engineered permit is required.
  - Impacts homeowners with homes where there are no interior load points in the home.
    - Many older home styles feature a lack of interior load points.

### **Recommendations:**

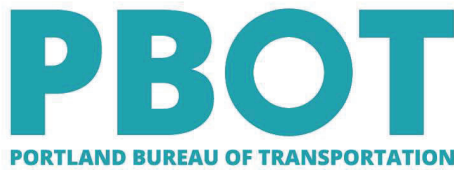
1. Provide 50% indirect cost allocation on all projects rather than 30%
2. Allow for re-roofing and sheathing (as needed) as a direct cost.
  - a. A good roof allows for insulation and attic air sealing
    - i. A good insulated roof reduces interior moisture and mold, making the home healthier
    - ii. An insulated roof does a better job of keeping heat in during the winter and cold in during the summer
      1. reduces homeowner costs
      2. reduces greenhouse gasses
  - b. A good roof allows for rooftop solar installation
3. Provide full funding for solar projects with a high level of flexibility for engineered solar projects.
  - a. Cover engineering costs as billed
    - i. These costs can't always be estimated at time of grant writing
  - b. Cover augmentation prescribed by an engineer as a direct cost and as billed
    - i. Too difficult to estimate this at time of grant writing

- ii. Allow flexibility for funding required
- c. Project flexibility in funding levels to cover engineered solar projects
  - i. There are too many unknowns at time of grant writing to lock in an exact cost for engineered solar implementation.
    - 1. This is why PCEF grantees are not doing engineered solar projects.
    - 2. I am being asked for “easy” solar projects for my clients so that PCEF funded grantees can spend their solar grant money.
      - a. Many of the priority homeowners who want solar have homes that will require an engineered solar permit
      - b. PCEF grantees with solar dollars will run out of easy projects in Portland
        - i. Portland has old housing stock
        - ii. Homes with exterior-only load paths exist throughout the city
          - 1. PCEF needs to make it easier on grantees and their solar contractors if it plans to reach these priority homeowners.
- d. Cover the cost detached dual-use solar structures, and the cost for an electrical conduit to the home, for homes with roofs that have poor orientation or big trees that block solar receptivity. (examples: solar carport, solar gazebo, solar garage, solar shed, simple solar picnic table cover.)
  - i. Cover all solar implementation, conduit, and battery as direct cost.
  - ii. Cover 100% of the cost of the structure as a direct cost to support the solar array.
- e. Provide full funding for fuel switching
- f. Allow direct funding for dual (existing) gas furnace paired with new electrical heat pump.
  - i. Heat pump used nearly all of the time
    - 1. Unless temps get to freezing when gas is a better option



a. does not happen frequently

- g. Allow replacement of home's electrical panel as a direct cost if needed to power ducted or ductless heat pump, hot water heat pump, or to support solar implementation.



1120 SW Fifth Ave, Suite 1331, Portland OR 97204

Phone: 503-823-4000 [Portland.gov/Transportation](http://Portland.gov/Transportation)

**Mingus Mapps** Commissioner **Tara Wasiak** Interim Director

April 7, 2023

Bureau of Planning and Sustainability:

Thank you for the opportunity to provide comment on the preliminary draft of the Climate Investment Plan (CIP) Transportation Decarbonization category for the Portland Clean Energy Fund (PCEF). At the request of our Commissioner-In-Charge, we are sharing the following feedback. With transportation accounting for more than 40% of the County's greenhouse gas emissions and continuing to increase, rapid and focused investment in transportation decarbonization and reduction in vehicle miles traveled (VMT) is critical to meeting our climate goals. PBOT's strategic plan centers on addressing the climate crisis and advancing transportation justice. PCEF's proposed transportation decarbonization investments represent a landmark opportunity to build on PBOT's community-centered decarbonization and VMT reduction strategies.

PBOT is pleased to see a focus on our already successful Transportation Wallet Access for All program in Strategic Program 7 – Equitable clean transportation access. The proposed investment would provide stable funding for five years and allow us to greatly expand our program, further expanding access to low-carbon transportation options for PCEF priority populations. An important complement to the Transportation Wallet is sufficient funding for BIKETOWN for All. The BIKETOWN for ALL equity membership plan has resulted in more than 200,000 rides in 2022. The unfortunate downside of this success is that demand now outpaces PBOT's budget for the program and without new funding PBOT may lose these hard-earned, equity-focused gains. Funding BIKETOWN for ALL as part of this Strategic Program will allow PBOT to maintain the current equity memberships and expand the number of Portlanders accessing that benefit.

We are also particularly excited to see an e-bike rebate and support in Strategic Program 6 – Comprehensive e-bike access and support. PBOT has researched and carefully monitors e-bike rebate programs launched by other cities and states. Programs like Denver's are proving to be wildly successful at getting more people on bikes. We believe this type of strategy could spur progress in mode shift and carbon emissions reductions in Portland while increasing mobility with PCEF priority populations. A city of Portland e-bike rebate program would leverage PBOT's significant investments in safe biking infrastructure over the past two decades as well as current PBOT outreach programs like Smart Trips, Sunday Parkways, and BIKETOWN for All. Together, this would not only make the benefits of e-bike ownership accessible to more Portlanders, but also help the city make progress on our carbon reduction goal. We look forward to partnering with BPS staff and community members to support the development of an e-bike rebate program that supports PCEF's mission.



It is the policy of the City of Portland that no person shall be excluded from participation in, denied the benefits of, or be subjected to discrimination in any city program, service, or activity on the grounds of race, color, national origin, disability, or other protected class status. Adhering to Civil Rights Title VI and ADA Title II civil rights laws, the City of Portland ensures meaningful access to City programs, services, and activities by reasonably providing: translation and interpretation, modifications, accommodations, alternative formats, and auxiliary aids and services. To request these services, contact the Portland Bureau of Transportation at 311 (503-823-4000), for Relay Service & TTY: 711.

PCEF's \$10M allocation for 82<sup>nd</sup> Avenue will support further investment in 82<sup>nd</sup> Avenue beyond the asset and safety projects that PBOT is undertaking as a result of last year's ownership transfer. The funding allocated for street trees and tree establishment and frontage improvements on public property will augment PBOT's infrastructure project resulting in carbon sequestration, shade for people using sidewalks and overall mitigation of the urban heat island effect. We look forward to the opportunity to partner with the PCEF committee, staff and community members to program this funding to achieve community and climate goals. Funding this program at the higher end of the proposed range would best allow us to scale investment and make a meaningful difference.

Direct benefit programs such as the Transportation Wallet and e-bike rebates are critically important to increasing access to low carbon transportation options. However, their success depends on the availability of safe, well-maintained infrastructure to make it easier, more convenient and more comfortable to get around by walking and biking. PBOT hears every day from community members about the critical importance of creating and maintaining safe walking and biking infrastructure to make active transportation feasible for Portlanders throughout the city. Through outreach for the community-centered Way to Go Plan, the Pricing Options for Equitable Mobility project and North Portland in Motion as well as ongoing conversations with our bicycle and pedestrian advisory committees, PBOT has heard clearly from a wide range of stakeholders that new investments in walking and biking infrastructure are a top community priority.

PBOT's ability to meet these community expectations is constrained by our limited and declining general transportation revenues. While PBOT is actively seeking solutions to address this revenue shortfall, we expect this trend to continue, resulting in fewer projects to complete our bike network, build new and improved pedestrian crossings and infill sidewalks. It also means less funding to maintain our existing assets including keeping our bike lanes free of debris, striping visible and protections like traffic separators in place. As a result, we are writing to express interest in adding programs that would support PBOT in providing safe, well maintained active transportation infrastructure with a focus on serving PCEF priority communities. These investments can meet the PCEF tests of serving priority populations and reducing greenhouse gas emissions.

Pedestrian and cycling infrastructure investments are recognized and quantifiable projects under similar programs to PCEF in other jurisdictions. As one leading example, the California Climate Investments framework, which programs a range of programs and projects with known and measurable climate pollution emission reduction benefits, promotes the construction, improvement, and expansion of biking and walking infrastructure as part of their program. Closing network gaps, and ensuring that our facilities are safe, comfortable and connected will be essential to support sustained and increased levels of biking and walking and the resulting emission reductions.

Finally, we know the community responsive grant program is the heart of the PCEF model. This groundbreaking model is critically important to achieving community goals in ways that center PCEF priority populations. We are ready to support community organizations with ideas about how to decarbonize our transportation system. As part of that support, we would appreciate being part of the process to review applications for any infrastructure projects and to work with community and

PCEF staff to determine the most effective project delivery and ongoing maintenance models for projects within the right-of-way.

Again, thank you for inviting PBOT staff to provide input in the development of the transportation decarbonization programs in the CIP preliminary draft. We look forward to continued work to reduce greenhouse gas emissions from our transportation sector and advancing transportation justice.

Sincerely,

A handwritten signature in black ink, appearing to read "Tara Wasiak". The signature is fluid and cursive, with a small dot at the end.

Tara Wasiak, Interim Director  
Portland Bureau of Transportation



April 4, 2023

Via online comment submittal form

**Subject: Port of Portland Comments on the PCEF Climate Investment Fund**

Dear Portland Clean Energy Fund Team:

Thank you for the opportunity to review and comment on the PCEF Climate Investment Plan (CIP). The CIP is both comprehensive and accessible, and the Port is excited to see the City's work on PCEF evolve and continue to gain momentum and support. The Port particularly appreciates how the PCEF CIP clearly lays out what types of projects and actions are can funded, the high-level budget for each work area, and the desired outcomes and goal measures for each community responsive grant and strategic program category. This is helpful information for interested community members and applicants alike.

While the plan is clear with respect to the areas listed above—budget, outcome, and goal measures—Port staff noted that additional information on eligibility for roles and selection criteria might be helpful. Specifically, the Port raises the following issues:

- Balancing desired outcomes during the review process – The PCEF CIP states that all projects will need to affirmatively answer how a proposed action will: (1) create clear, significant, and measurable benefits for frontline communities; (2) be realistically implemented over five years; (3) result in meaningful and measurable GHG reductions/sequestration; and (4) have accountability mechanisms to ensure that communities of color, low-income populations, people with disabilities, and other vulnerable communities benefit from the strategic program, but it does not speak to how projects will be scored, and if any one criteria has a greater priority. Given that some proposals may score very high in one area, but much lower in another, the Port recommends providing more information on the guidance PCEF will use to balance and weigh desired benefits.
- Clarity on layered funding – Another area for clarification is whether PCEF funding can be used in conjunction with other public funding, such as state and federal grant awards, or other regional community grants. If so, and given the lengthy and varied review processes often associated with state and federal grants, would PCEF consider project-by-project amendments of performance timelines to meet non-PCEF grant requirements?

April 4, 2023

Page 2

- Public agency eligibility – Recent changes to PCEF rules made it possible for government entities to apply for funding to advance projects that meet defined PCEF objectives, but the PCEF CIP appears to provide limited opportunity for public agency participation, outside of named City bureaus, and Strategic program 14: Climate-friendly public schools. Public agencies have the potential to leverage resources that could magnify PCEF outcomes and/or could push significant improvements in reducing greenhouse gas emissions in areas that include high concentrations of PCEF priority populations. Please consider adding additional guidance for how public agencies can best participate in the PCEF process to maximize our contribution.

Opportunity to expand transportation decarbonization – The Transportation decarbonization funding category addresses critical needs, such as increasing access to cleaner transportation options like e-bikes and by providing transit passes and increasing mobility options; and importantly, it also provides funding for community-led planning to identify low-carbon and zero-carbon options that are best suited to meet community needs. However, this category could be improved by also addressing fleet conversion in employment areas and industries with high concentrations of PCEF priority populations, and/or that operate adjacent to areas with high concentrations of PCEF priority populations. As evidenced in Strategic program 14: Climate friendly public schools, which addresses the need to convert the school bus fleet to zero emission vehicles, PCEF understands the value of converting the transportation fleets used by PCEF priority populations every day.

This is also an area where the Port is doing work. Currently, the Port is working to convert the mostly diesel-powered airplane ground support equipment to an all-electric fleet by 2026, which is a change that will improve air quality for airfield workers and the adjacent areas. The Port is also evaluating options for converting its fleet of approximately 30 buses (this fleet provides transportation for both employees and passengers) to a zero emissions technology. PDX's bus fleet is one of PDX's largest sources of scope 1 (direct) greenhouse gas emissions. This change, along with the conversion of ground support equipment, will bring significant air quality benefits to people who work at PDX and who live and work in the adjacent airshed. These are two examples of beneficial fleet conversions, but there are likely many more similar opportunities to advance fleet conversions which would improve air quality for PCEF priority populations.

Sincerely,

Alexandra Howard  
Senior Policy Program Manager



To Our Colleagues at PCEF,

Thank you for the opportunity to comment on the draft proposal for the Climate Investment Plan (CIP). As the largest provider of affordable housing in all of Oregon, we are excited to be a systems partner with the City of Portland in achieving major carbon-emissions reductions and build resilience in ways that benefit those most impacted by the climate crisis.

In keeping with our previous comments, we would like to reiterate the sentiment that **regulated multifamily affordable housing** should be the foundation of PCEF's housing-related carbon reduction strategies. The residents living in those properties are among the most impacted by climate injustice and deserve to be a priority recipient of the city's efforts to reach carbon neutral.

## Three Funding Pathways

### 1. Community Responsive Grants

The draft CIP states that these grants will be awarded to community-based nonprofit organizations for projects that are led by, and serve, communities living on the frontlines of climate change. Based on meetings with PCEF staff, Home Forward was under the impression that this first funding pathway would be available to address energy upgrades to existing affordable multifamily housing. However, the language of the draft CIP does not appear to allow for the use of funds in this way. We encourage the language to be modified to allow for consideration of applications by affordable housing providers for holistic upgrades and improvements to existing housing portfolios.

### 2. Strategic Programs

#### Equity + Climate Framework

As outlined in the draft CIP, a strategic program concept must answer all four prompts affirmatively to be considered for inclusion in the CIP. The four prompts are: *benefits to frontline communities; implementation feasibility; climate impact; and accountability.*

Home Forward is an obvious choice as a Strategic Partner for PCEF.

While we are not a formal part of the city's government structure, we are an essential systems and jurisdictional partner that provides vital services throughout the City of Portland, as well as Multnomah County, the City of Gresham, and other communities in east Multnomah County. We work in collaboration and alignment with Portland, Multnomah County, and Gresham on housing policy and programs. In fact, each jurisdiction appoints commissioners to our Board of Commissioners, and the City of Portland maintains final approval of all applicants. We also maintain a formal liaison arrangement with the Commissioner that oversees the Portland Housing Bureau. We even take on responsibilities to administer programs on behalf of the State of Oregon. Ultimately, however, we are responsible to the citizens and taxpayers of our community to fulfill our mission.



We are still considered a housing authority under the Oregon law that governs us and by our largest funding source, the U.S. Department of Housing and Urban Development. We operate the largest federally funded housing programs in Oregon, which includes Housing Choice Voucher, Rental Assistance Demonstration (RAD), and Veterans Assisted Supportive Housing (VASH). However, we have moved far beyond the traditional role of a housing authority.

Accordingly, our work will certainly score well on the first, second, and fourth prompts above. Our ranking on the third prompt, GHG reduction outcomes, will largely depend on how PCEF is measuring emissions. For example, we consider how much greenhouse gas reduction comes from improving the envelopes of older properties, and whether proposed measurements include the materials, construction, and transportation impacts. Without full transparency on methodology and impact metrics, success on the third prompt is difficult to predict.

Regardless, there is significant data that supports the notion that rehabilitation of multifamily housing holds the biggest potential for greenhouse gas reductions of all types of housing. And there is a compelling reason why Home Forward should play a formal role as a Strategic Partner in the pursuit of PCEF goals.

### Strategic Program 1: Clean Energy in Regulated Multifamily Affordable Housing

#### a. Definitions

For clarity and consistency, it is important that the CIP define the term “regulated multifamily affordable housing” We propose a broad definition of regulated housing that is consistent with State law (see, e.g., ORS 90.323(7)(b) and City code (see, e.g., PCC 30.01.085 Admin. Rules (IV)(H)) which ensures administrative consistency and oversight of eligible housing types. Our proposed definition of regulated multifamily affordable housing is “a home or dwelling unit that is regulated or certified as affordable housing by a federal, state, or local government entity.”

This definition overlaps and aligns with the target population prioritized by the CIP based on income level. Most regulated “affordable housing” is housing that caters to households earning 80% or less of Area Median Income (AMI), where rents are set at or below 80% of market rates. The LIHTC, OAHTC, HOME and other local, state, and federal programs operate to serve populations at or below the 80% AMI levels. HUD also defines affordable housing to require rents are “structured so that the targeted tenant population pays no more than 30% of their gross household income for rent and utilities.” HUD further defines “Moderate Income” to be at or below 80% AMI, “Low-Income” to be at or below 50% AMI, and “Extremely Low-Income” to be at or below 30% AMI.

As outlined above, regulated multifamily affordable housing is directly serving the populations that PCEF prioritizes based on income level. Furthermore, the proposed definition meets these commonly accepted and industry standard income level and rent-setting affordability regulations, while also ensuring other goals of regulated affordable housing including housing stability, safety and quality of housing types, long-term community ownership, and regulatory oversight, to name a few.

For these reasons, Home Forward proposes a clear definition that prioritizes alignment with existing statutory definitions and policy goals.

#### b. Eligibility



There are projects that fit neither the Phase 1 nor Phase 2 timing descriptions that nevertheless incurred significant additional costs due to PHB's Cooling Policy. All cooling - related measures implemented in response to PHB's Cooling Policy Statement of August 13, 2021, should be eligible for PCEF funding.

#### c. Implementation

Home Forward would like to draw attention to concerns around the implementation of grants under the first Strategic Program. Based on prior discussions with Portland Housing Bureau, we are under the understanding that, within the new construction context, these grants will be available to pay the cost increment between existing code and the PHB green building policy. If this is true, we would like to highlight the difficulty and lack of feasibility in demonstrating the appropriate grant amount based on cost differentiation.

For example, when we work with an Architectural/Engineering team we ask for a design that meets our up-front goals. It is not feasible to ask for a building design that meets reduced goals, in effect asking for two designs and two sets of numbers to allow a firm to bid on the project. Doing that work on the front end takes extra time, money, and staffing. Likewise, subcontractors who are asked to "bid this project two different ways" will likely not pursue the project because of the increased labor and costs for a job that they might not get, especially where it requires complex cost differential modeling. This approach, if it is even possible, would result in less competition and higher costs.

Our recommendation, based on extensive engagement in public contracting, is to set an amount of money per unit for new construction. For example, establishing \$50,000 per project that meets the Portland Housing Bureau Green Building standard would avoid the documentation of incremental costs, would improve the efficiency of this process, and would avoid delays and undue costs.

#### d. Focus on Preservation

Additionally, we would like to draw attention to the bias in this funding towards new construction. We recognize that rehabilitation of existing properties is not fully captured in PHB's Green Building Policy, which is geared towards new construction. However, investing in existing multifamily affordable housing does align with the local HEART standards currently in development and will provide a meaningful opportunity for providers to offset the costs associated with reaching these targets. PCEF has a great opportunity to increase their return on investment with this portion of the CIP. In fact, Home Forward has identified an immediate need for \$20 million in needed preservation projects that would meet PCEF eligibility and strategic goals.

Investments in the preservation of existing decades-old affordable housing will result in significant impact to greenhouse gas emissions. We recommend that CIP allocate an additional \$30 million specifically for energy efficiency measures in affordable housing preservation.

### Strategic Program 2: Clean Energy in Unregulated Multifamily Affordable Housing

Home Forward would like to express concern regarding the amount of funding being directed towards unregulated affordable housing.

As mentioned in the draft CIP, efforts to reach what is referred to as “naturally occurring affordable housing” providers have largely been unsuccessful for a variety of reasons, with the most prominent being an unwillingness of those individuals to participate. Since a “25% match from property owner and a minimum three-year rent-stability agreement will be required” there exists little motivation for small, for-profit, unregulated property owners to participate in a project that requires money out of their pocket, gives them little return on investment especially when tenants often pay the costs of utilities associated with the units, and which removes their ability to increase their profits for three years.

OHCS just issued an [Request For Proposal](#) to try to move “naturally occurring affordable housing” out of private ownership and into the hands of housing authorities and CDCs. That NOFA specifically names “poor management” as one of two reasons that this type of housing exists; the other is market filtering.

We recommend a decrease in the amount of money in this Strategic Program from \$50m to \$10m. We also recommend that this amount be designated as a “pilot program” to better understand feasibility and implementation in the private market. If the funds remain underutilized – or utilized in such a way that this priority is cost- or outcome-prohibitive, funds can be reallocated back into other uses.

### Strategic Program 3: Clean Energy Improvements in Single-Family Homes

From an equity perspective, Home Forward has serious concerns with PCEF prioritizing the largest dollar amount, and deepest energy retrofits, for predominately white, owner-occupied, single-family homes. We know that 74% of Black households, 62% of Indigenous households, and over half of other communities of color rent in Portland. In addition to those disparities, the median renter energy burden is 13% higher than that of the median owner.

This is an enormous amount of money for an effort that will require money to move out the door one house at a time. An average investment of \$50K per household would require 2,800 households to reach proposed goals. In short, given likely implementation difficulties, it will be very difficult to spend this amount of money in five years.

We encourage PCEF to reexamine the criteria used for determining the amount of money being invested into owner occupied homes versus regulated multifamily affordable housing based on the following:

- Of all income groups, affordable housing rental communities have the most to gain from decarbonization’s health benefits and energy savings; and
- Improving energy efficiency and electrifying housing are intertwined strategies for decarbonization. Cooling and electrification retrofits, must crucially include building shell efficiency upgrades to improve resident safety, reduce electrification installation and operating costs for customers, and minimize potential additional electric system supply costs. Securing adequate funding and financing is perhaps the biggest hurdle and most vital, particularly for retrofitting buildings.

We recommend that CIP significantly decrease this amount and re-purpose it to regulated multifamily affordable housing. As an industry, regulated multifamily affordable housing providers can move at scale, while meeting climate goals and serving communities of color.

Thank you for the opportunity to provide feedback on this very important opportunity. Home Forward applauds PCEF's work with the Climate Investment Plan, and we continue to extend an offer of support as a strategic partner in reaching the populations most affected by climate injustice.

If you have any questions about these comments, please contact me at [Shalynn.Robinette@homeforward.org](mailto:Shalynn.Robinette@homeforward.org) or (503) 936-9844.

Sincerely,

Shalynn Robinette

Environmental & Emergency Manager

Cc: Office of Commissioner Carmen Rubio

**From:** [Trinh, John](#)  
**To:** [Clean Energy Fund](#)  
**Subject:** public comment: PCEF Climate Investment Plan preliminary draft  
**Date:** Friday, April 7, 2023 12:35:21 PM

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Good morning,

First I would like to applaud your commitment in creating space for energy efficiency upgrade and renewable energy improvement for low-income homeowner.

My name is John Trinh, I work for the Housing Bureau. I am the manager for the Neighborhood Housing Preservation Team. Our team provide lead abatement, down payment assistance, home repair, home improvement, healthy home improvement, home buyer education, foreclosure prevention programs, and preservation counseling programs for the low-income homeowners with a commitment to the black, indigenous, people of color communities in Portland.

I have reviewed your draft of the climate investment preliminary plan as it relates to single family homes. Overall you have hit the mark as to the needs of the community and providing resources to support your mission. Many low-income families we work with at <80% AMI struggle with home repair. It is great to see that the amount of PCEF investment for this category is up to \$50K per home. Many of the homeowners we work with have moisture concerns and replacement of the roof are warranted. I can see that replacing a roof to add insulation to improve efficiency or solar panel as a way to create renewable energy, is a perfect project for many homeowners. I would ask that you consider increasing the construction budget for each home from 30% to 40% to create a better budget to enable repairs, accessibility measures, and other necessary life, health, safety measures. At \$50K/home investment with a construction budget at 30%, you would have \$15K to replace the roof. At a 40% construction budget, this amount would increase to \$20K; which is more inline with today's inflation cost.

Once approved and as more detail are developed, I hope funding from PCEF will include staffing and overhead cost allocation associated with goal for each strategy.

I am excited for this opportunity and look forward to supporting Portlanders to be more energy efficient and creating more renewable energy improvements.

Thank you,  
John Trinh

Sent from [Mail](#) for Windows