



March 7, 2022

To: Portland Clean Energy Community Benefits Fund Grant Committee
Commissioner Carmen Rubio

CC: Sam Baraso, Program Manager, Portland Clean Energy Community Benefits Fund

Re: Portland Clean Energy Fund

Portland Clean Energy Fund Grant Committee and Commissioner Rubio:

Since 2018, the community-based Portland Clean Energy Fund (PCEF) Coalition has been engaged in supporting the implementation of Measure 26-201, the ballot measure establishing Portland Clean Energy Community Benefits Fund. The PCEF Grant Program was created to fund clean energy, green infrastructure, regenerative agriculture, and workforce development projects created by and for Portland's low-income communities and communities of color, who also led the campaign for its passage. Since Portland voters approved the measure by 65%, our coalition has supported a successful implementation of the PCEF program under Portland's Bureau of Planning and Sustainability, including an initial round of \$8.6 million in funding for a combined total of 45 projects, which will provide a carbon dioxide equivalent reduction of 11,500 metric tons.

When the PCEF Coalition originally developed the PCEF initiative, the City's Bureau of Revenue estimated that the surcharge would raise approximately \$30 million annually. The allocations of funds towards clean energy, workforce development, and green infrastructure were set out in the initiative based on this projection. In late 2019, the Bureau of Revenue updated the estimate to \$44-61 million. Recently, it has come to light that the program is bringing in \$80-90 million annually with a current fund balance in excess of \$170 million. Due to the gross receipt

surcharge being a new mechanism for the City of Portland, the Revenue Division did not have the full picture of the scale of corporate gross receipts.

This is exciting news for the PCEF Coalition, as we see this as an opportunity to further address climate change impacts on our most vulnerable and impacted communities led by and for those communities. The PCEF Coalition has always recognized the need for comprehensive climate action, and that PCEF was one source of funding among many that are needed. The scale of adaptation needed to mitigate climate change and prepare for its impacts is immense. More resources for climate justice above and beyond the earlier projections of PCEF revenues have always been needed. These additional funds are a boon to Portland.

The PCEF Coalition encourages the Portland Clean Energy Fund Grant Committee to begin a deliberate process to explore structural changes to more comprehensively meet the needs of low-income communities and communities of color. Voters supported a vision of climate justice that centers the most impacted communities. The ballot measure language set out a program structure designed for \$30 million annually, and now we have an opportunity to advance this vision further. Central to this vision is the prioritization for communities who are most directly and immediately impacted by climate change.

Any process to evaluate structural changes must ensure that the initial intent of the ballot measure is maintained. [The intent of the program is best captured in Section 7.07 of the city code](#), and we would like to highlight Section 7.072 in particular. The PCEF Program must provide:

1. Co-benefits: Whether a project prioritizes greenhouse gas reduction outcomes in a manner that promotes the economic, social and environmental justice outcomes identified in this Chapter.
2. Geographical diversity, with the goal of funding projects that operate at the neighborhood level (including east of 82nd Avenue) as well as citywide. The Committee may also consider providing support to neighborhood-scale organizations to develop and expand their organizational capacity to implement projects on a larger scale.
3. Organizational representation. To ensure that the City's work addressing climate change is inclusive as well as effective, at least 20 percent of the Committee's Funds shall be awarded to non-profit organizations with a stated mission and track-record of programs that benefit economically disadvantaged community members, including people of color, women, people with disabilities, and the chronically unemployed. The qualified non-profit can apply solely or in partnership with other non-profit entities, government entities or for-profit businesses.
4. Leveraging. Programs that would leverage additional governmental or private funding and therefore increase the overall program effectiveness should be priorities, but are not required.

The PCEF Coalition supports a process in which the PCEF Staff and Grant Committee collaborate with community-based organizations and community members to evaluate potential structural changes to the Portland Clean Energy Community Benefits Fund. It is important that

the Grant Committee has the ability to thoroughly analyze the best options for structural changes based on community feedback. City bureaus and representatives should be consulted to ensure that different opportunities are considered and integrated into the plan. There should be a robust community engagement process that ensures that the PCEF Grant Committee and City Council can feel confident in supporting any proposed structural changes.

We look forward to collaborating with the larger community of climate-impacted people, the PCEF Grant Committee, and programmatic staff on furthering our initial vision for climate justice. In a time of worsening extreme weather events, increasing housing instability and inadequacy, and economic instability and inequity, these resources will play a critical role in creating a Portland where all people can thrive.

Signed,

Taren Evans, Coalition of Communities of Color (CCC)
Richa Poudyal, Asian Pacific American Network of Oregon (APANO)
Sergio Lopez, Verde
William Miller, Native American Youth and Family Center (NAYA)
Huy Ong, OPAL Environmental Justice
Laura Stevens, Sierra Club
Micah Meskel, Portland Audubon
David De La Torre, Oregon Physicians for Social Responsibility
Indigo Namkoong, 350PDX
Dan Serres, Columbia Riverkeeper