

**PORTLAND CLEAN ENERGY COMMUNITY BENEFITS FUND (PCEF) COMMITTEE**

**MEETING SUMMARY DRAFT**

**January 25, 2024 • 6:00 PM – 9:00 PM**

**Zoom Call**

<b>Committee Members</b>	<b>Position</b>	<b>Affiliation</b>	<b>Present</b>
Dr. Megan Horst	Co-Chair	Associate Professor, School of Urban Studies & Planning at Portland State University	Yes
Ranfis Giannettino Villatoro	Co-Chair	Oregon State Policy Manager, BlueGreen Alliance	Yes
Alicia Chapman	Member-at-Large	Willamette Technical Fabricators	Yes
DeAngelo Moaning	Member-at-Large	Raimore Construction	Yes
Faith Graham	Member-at-Large	Elevate Energy	Yes
Maria Gabrielle Sipin	Member-at-Large	Community Member	Yes
Paul Lumley	Member-at-Large	Cascade AIDS Project	Yes
Robin Wang	Member-at-Large	Vibrant Future LLC	Yes
Michael Edden Hill	Member-at-Large	Community Member	Yes
Sam Baraso	Program Manager	PCEF	Yes
Cady Lister	Deputy Program Manager	PCEF	Yes
Jaimes Valdez	Org. Development & Policy Manager	PCEF	Yes
Kris Grube	Project Manager	PCEF	No
Wendy Koelfgen	Project Manager	PCEF	No
Rachel Gilmore	Administrative Specialist	PCEF	Yes
Elizabeth Stover	Senior Communications Strategist	PCEF	Yes
Tracy M. Smith	Facilitator	Inhance LLC	Yes
Camerina Galván	Notetaker	Galvan Consulting LLC	Yes
Ciara Pressler	Consultant	Pregame	Yes

**Others:** Seetha Ream-Rao, PCEF Transportation Decarbonization Program Lead; Donnie Oliveira, Director, Bureau of Planning & Sustainability; Millicent Williams, Director, Bureau of Transportation; Gabe Solmer, Director, Water Bureau; Dawn Uchimaya, Director, Bureau of Environmental Services; Adena Long, Director, Parks & Recreation; Maty Sauter, Manager, Division of Asset Management, Office

of Management & Finance; Michael Buonocore, Interim Director, Housing Bureau; Hannah Cruz, Energy Trust of Oregon; Jason Skipton, Growing Gardens; Bruce Nelson, Portland Urban Forestry Commission; Shin Lee, Oregon Community Food System Network; Elle The Feed'em Freedom Foundation; Teva Needleman, Black Food Sovereignty Coalition, Theresa Huang, The Intertwine Alliance; Micah Meskel, Portland Audubon; Jennifer Hamilton, Co-Executive Director, Rogue Farm Corps; Annie Murai, Measure Meant Social Impact Consulting; Corbin, Chair, Portland Parks & Recreation; Adena Long; Alana Bates, City Fleet; Amy Dvorak; Anna Goldrich; Annie Murai; Bruce Nelson; C.N.E Corbin; Davide Wieland; Dawn Dunlap; Diane Meisenhelter; Elle Molokwu; Gabriel Solmer, Portland Water Bureau; Hannah Cruz; Heather Flint Chatto, Owner, Forest Design and Planning; Jane Monson; Jay Richmond; Jenn Cairo, Portland Parks & Recreation; Jennifer Hamilton, Rogue Farm Corps; Ken Finney, City of Portland; Mark Darienzo; Maty Sauter, Division of Asset Management; Mercedes Elizalde, Director of Advocacy, Latino Network; Micah Meskel, Portland Audubon; Paul Hawkins; Peter Hulseman, City Economist; Rober Lucacher; Sarah Santner, Portland Water Bureau; Shin Lee, OCFSN; Stacey Foreman, Green Fleet Analyst, City of Portland; Teva Needleman, BFSC; Theresa Huang; Zachery Lauritzen, Oregon Walks.

**INTRODUCTIONS: TRACY M. SMITH, FACILITATOR**

- Tracy M. Smith called the meeting to order at 6:05 PM.
- The quorum was met.
- Megan Horst addressed shared updates since the December 2023 PCEF Committee Meeting. She encouraged city residents, commissioners, bureau directors, and city staff to appreciate the hard work of Portlanders who fought for PCEF. Without them, these conversations wouldn't be happening. She is glad that more money can be invested into climate action and recognizes that the timeline and process for making a recommendation is not ideal.
- Ranfis Giannettino Villatoro recognized the winter storm and appreciated the presence of bureau directors. He shared that PCEF is a beacon of hope, and he hopes the committee balances City needs and PCEF values.

**PUBLIC COMMENTS: TRACY M. SMITH, FACILITATOR**

- Representing twenty organizations, Jason Skipton asked the PCEF committee to invest in nonprofits and regenerative agriculture. He requested that 10% of the \$540 million be invested in regenerative agriculture.
- Mercedes Elizalde asked for stronger, more equitable processes to build resiliency and prepare for extreme weather events. She asked for consistent support for capacity building and open application and review process. She called for a transparent and intentional process.
- Zachery Lauritzen encouraged the committee to invest in an urban tree canopy and sidewalk repair for low-income neighborhoods to promote pedestrian safety and access.
- Heather Flint Chatto encouraged the committee to invest in a sustainable design and innovation center for physical demonstrations of zero energy, education, and technical assistance. Heather Flint Chatto advocated for funding for community planning, permitting, and community benefit projects.
- Diane Meisenhelter is pleased to see allocations to transportation. She asks for greater investments in a more incentivized, electrified, affordable, and efficient transportation system and increased ridership of the most vulnerable populations. Diane Meisenhelter asked the committee to adhere to campaign priorities instead of backfilling budgets.

- Bruce Nelson asked that PCEF support urban forestry's existing programs and tree investments. The Portland Urban Forestry Commission supports the first set of allocations for the Portland Parks and Recreation for arborists' work and the Bureau of Environmental Services' projects. They support the second allocation of \$100 million for protecting and maintaining over 240,000 right-of-way street trees. Bruce Nelson called for active community engagement and actions to address the city's inequitable distribution of tree canopy.

**BACKGROUND AND CONTEXT: SAM BARASO, PCEF**

- **Funding Forecast:** Peter Hulseman shared that revenue grew due to increased retail sales, increased cost of goods, the shift in businesses paying the clean energy surcharge tax change, and increased online sales. Small businesses and service goods have decreased in sales.
- Committee Member questions and comments:
  - A committee member asked if Peter Hulseman could discuss the city lawsuit regarding a record request of the companies paying the clean energy surcharge tax.
    - Peter Hulseman said that is a question for the Department of Revenue. He deferred the question to Donnie Oliveira.
    - Donnie Oliveira shared Oregon Public Broadcast (OPB) filed a public records request to the city to obtain a list of payers into the surcharge. The city attorney denied the request. OPB appealed to Multnomah County, who overruled the denial. The city attorney for the Revenue Department ruled the appropriate action is to protect the city's ability to defend all City of Portland taxpayers, including payers of the clean energy surcharge tax. PCEF staff has no line of sight on the revenue collected.
- **Committee Role:** Sam Baraso reviewed the PCEF committee's role.
- **Climate Investment Need:** Sam Baraso acknowledged that the scale of climate investment needed is billions of dollars.

**PROCESS FOR FIRST SET OF PROPOSED ALLOCATION TO CITY BUREAUS: DONNIE OLIVEIRA, BUREAU OF PLANNING AND SUSTAINABILITY**

- Donnie Oliveira shared that the city council approved the \$750 million Climate Investment Plan (CIP) with no amendments, which was unprecedented. The city economist notified revenue projections were short two weeks after adopting the CIP. This occurred as city bureaus were identifying budget shortfalls. The process started to find PCEF-eligible projects in the bureaus. The urgency in the process and review is due to alignment with the budget timeline for creating a requested budget published on February 15, 2023. All projects presented underwent a vetting process.
- Donnie Oliveira shared the methodology used to vet the bureau projects. Projects pitched that did not meet the criteria were not moved forward.

**PROPOSAL OVERVIEW: BUREAU DIRECTORS**

- **Gabriel Solmer, Director of Portland Water Bureau, and Sarah Santner, Director of Resource Protection & Planning, Portland Water Bureau:** Sarah Santner presented on three projects for the Portland Water Bureau and three for the Bureau of Hydroelectric Power.
- Committee member questions and comments:
  - A committee member asked, "What is the relicensing cycle?"

- Response: It's a 40-year cycle.
- How does creating a reserve fund benefit PCEF's mission?
  - Response: When Hydro doesn't generate enough revenue due to low water levels, we tap into the general fund for operations. The reserve fund would free up general fund funds to support the community.
- A committee member read that the Hydro fund has lost money for several years. The reserve fund would be a subsidy to subsidize hydroelectric losses. Can you comment on that?
  - Response: From year to year, there will be losses. That is the natural part of the water year cycle; We can't produce electricity. Over time, we do earn the revenue back. There is a climate benefit.
- If this is a five-year allocation, I would like to see a five-year historical financials to see how often the reserve fund has been tapped into for the past five years to have some sense of PCEF's impact in the next five years.
- A committee member voiced concern that a reserve fund would set a precedent for other grantees. He would like to learn more about the proposal.
- A committee member appreciated the transparency of the limited contracting opportunities with this endeavor. How will you identify minority contractor opportunities or if there are no opportunities?
  - Response: The Portland Water Bureau works within the city systems to hire contractors.
- **ACTION ITEM:** Sarah Santner will connect with DeAngelo Moaning offline to answer his question more thoroughly.
- The committee unanimously approved extending the meeting until 9:00 PM.
- **Dawn Uchimaya, Director, Bureau of Environmental Services:** Dawn Uchimaya presented three projects.
- Committee member questions and comments:
  - How will the bureau advance workforce and contractor equity?
    - Response: Over the decades, we have partnered with many vendors. We have focused partnerships with small minority-owned vendors who can't take on big-city projects and are looking to grow. We are also building relationships in the community and have a long-term commitment. Some of our interns are hired and continue their education. Staff listen to the community and adapt programs.
  - **ACTION ITEM:** Dawn Uchimaya will share the number and names of vendors the Bureau of Environmental Services has worked on.
  - A committee member acknowledged the Bureau of Environmental Services' work on the Columbia Wastewater Treatment Plan and community benefits agreement. He has heard good things about the Labor Management Community Oversight Committee as a model for tracking workforce and contracting data.
  - Are the three proposals new programs or an expansion of programs? Are they in the books but need to be operational?
    - Response: All the programs are existing, ongoing, and under maintenance.

- How will your bureau plan accordingly, given that this funding would be a one-time investment?
  - Response: The funding is a bridge as the Bureau of Environmental Services develops a vision in preparation for the transition in government.
- **Michael Buonocore, Interim-Director, Portland Housing Bureau:** Michael Buonocore shared the current partnership with PCEF and the proposal for a second partnership.
- Committee member questions and comments:
  - Is Partnership 1 funded through the CIP, and is it for new housing developments? Is the second tranche of funding for updating existing housing? Partnership 2 has yet to happen.
    - Response: Yes, that is correct.
  - These projects might be eligible for federal tax credits or direct pay. How does the bureau plan to take advantage of the tax credits or direct pay? Some tax credits have labor standards. How would they influence labor and contractors?
    - Response: Michael Buonocore deferred to Donnie Oliveira.
  - **ACTION ITEM:** Michael Buonocore will gather the technical information.
  - Donnie Oliveira will share the response during the committee discussion portion of the agenda.
- **Millicent Williams, Director, Portland Bureau of Transportation (PBOT):** Millicent Williams presented five projects.
- Committee member questions and comments:
  - How does PBOT plan to get closer to a decarbonized transportation future without PCEF funding? What are concrete and clear ways to achieve the goal?
    - Response: The 2021 strategic plan includes decarbonization goals, which we work toward daily. The PCEF investment will help us advance the work faster and make it more sustainable. The five-year funding will help us approach the work holistically. The work will continue even if we do not receive the funding.
  - How were these projects community-informed?
    - Response: The plans and identification of the projects come from pre-work done engaging communities regarding their priority areas. The projects presented are shovel-ready and have been informed by the community. The investment will not be used to save the bureau but rather to support the work central to PCEF's goals.
- **Maty Sauter, Manager, Division of Asset Management, Office of Management & Finance:** Maty Sauter presented one project. They may return with a proposal for the second set of proposed allocations.
- Committee member questions and comments:
  - How will you come to these priorities with the community?
    - Response: It is difficult, given we are a small bureau. We don't have communication staff or staff doing community engagement, and we exclusively serve internal bureaus. Our community engagement leans towards hiring contractors and has heavily strived to identify and partner with minority contractors. We have worked to recruit in the trades and need to build more links with apprenticeships.

- A committee member finds this project exciting. Transitioning fleets and workers will be challenging, especially for early adopters. It’s an excellent opportunity to transition a new generation of workers and develop a successful apprenticeship program. How do you partner for good outcomes like diversifying folks into the trades?
- **Donnie Oliveira, Director, Bureau of Planning and Sustainability:** Donnie Oliveira shared the proposed allocation for the Arlene Schnitzer Concert Hall.
- **Adena Long, Director, Portland Parks & Recreation:** Adena Long presented four projects.
- Committee member questions and comments:
  - A committee member wished a regenerative agriculture project was proposed. Did the bureau consider investing in staffing capacity and leadership to do more for community gardens?
    - Response: We manage sixty community gardens with a plot gap. In the future, we are willing to propose funding for acquiring land to expand the program. Finding viable locations where community gardens are needed is a challenge. Adena Long is happy to continue the discussion in another space.
  - Is the tree arborists program a registered apprenticeship program? Is that something the bureau is considering?
    - Response: Due to labor management, the program is a trainee program, not an apprenticeship program. As first-timers, we had to start with a trainee program.
    - Jenn Cairo confirmed this is correct.
  - The CIP has funding for land acquisition. Are you only limited to parklands? The city has a lot of land. I’m curious about inter-agency collaboration.
    - Response: We are not limited to Portland parks. We are notified by a network when a city parcel becomes available. We want to continue the discussion, especially since there are funds for land acquisition in the CIP. We are looking for land in SW Portland, and it’s been challenging.
- **Donnie Oliveira, Director, Bureau of Planning and Sustainability:** Donnie Oliveira presented four projects.
- Committee member questions and comments:
  - Composting has been underfunded. Why did this not come forward as a project?
    - Response: It’s an emerging space, and we have a pilot project. It was not included because it is a new project. The team is applying for grants to pilot a food recovery program. We have a sustainable consumption strategic plan that has been underfunded. In the spirit of the guidelines for this tranche of work, we only presented projects on existing work plans.
  - A committee member clarified that the guidelines for existing projects were not the committee’s guidance. The committee asks the nonprofits to bring new projects. It’s a direction bureaus receive from the city council, the mayor, and others. The committee must confront the fact that it has different requirements for nonprofits and bureaus.

## COMMITTEE DISCUSSION: DONNIE OLIVEIRA, BUREAU OF PLANNING AND SUSTAINABILITY

- The committee members' comments and questions:
  - A committee member is concerned that bureaus want to support the workforce and contractors without a plan and metrics, a lack of proper community engagement, and the definition of community is a catch-all. He is concerned about accountability about which communities will be excluded and if contractors will come from the “old boys club.” They are optimistic that investment will improve the city.
  - A committee member shared that the directions bureaus received came from city leadership. He is concerned about the rushed RFP process, the reserve fund for Bull Run, the licensing project, and five-year multi-funding. Could the funding be for less than five years?
    - Response: Donnie Oliveira shared that the rush is not aligned with PCEF values. Given the uncertainty of the city's future government structure, we set five years for the CIP and this allocation to have control over how the dollars are spent. If the committee does not specify parameters, there is no guarantee the fund will be spent according to PCEF values.
  - PCEF values are clear about who the community is. It is low-income, Black, Indigenous, and People of Color, workers with disabilities, and women in the trades. We hope refined proposals take this into account. This is an opportunity to use PCEF funding to change the government.
  - A committee member feels food was a missed opportunity. She wants the Bureau of Planning and Sustainability and Portland Parks and Recreation to bring food projects. She is concerned that PCEF is setting a precedent for ongoing funding of city bureaus. Why is extra funding not going to community organizations? She requests that \$100 million be set aside to expand the CIP for RFPs for organization capacity building and planning.
  - What happens if we don't meet the deadline of deciding on the allocations two weeks from now?
    - Response: We are asking for \$380 million of the \$540 million destined to go into the proposed bureaus' budgets. Even if you approve all the items in this package, the city council can make amendments.
  - What if we don't meet this timeline?
    - Response: The projects will still be uploaded in bureau budgets. According to the city attorney, it will be a no-vote.
  - A committee member is part of a growing community that wants transparency and greater community influence over the general fund. The committee has been critiqued to do more vetting.
  - A committee member thanked her fellow committee members for keeping PCEF's guiding principles top of mind. She sees this as an opportunity. The committee can advocate to define community according to PCEF's priority populations and influence parameters.
  - A committee member feels a higher bar has been set for nonprofits than city bureaus. He thinks that a higher bar should be established for government. We haven't asked if there will be an auditing or reporting requirement.
  - Given the timing of the press release about the additional funding in December 2023, the press release already named the first tranche of allocations. This means city agencies had an

opportunity to start thinking about how these funds would be used before they were made public. This shut community organizations out from providing input or accessing funds. How can we ensure the community is not shut out when funds become available? We cannot do this again in this manner.

**CLOSING REMARKS:** SAM BARASO, PCEF

- PCEF staff has captured the questions and will follow up with committee members. The CIP intentionally centered the community. This tranche of funding is looking at a different audience.
- The co-chair thanked the committee. He encouraged the committee to step up to the urgency before them. There is still an opportunity to refine the process for the second tranche of funding, and proposed holding an additional committee meeting on February 2, 2024, or February 3, 2024.
  - **ACTION ITEM:** Staff will send committee members a Doodle Poll.

**THE MEETING WAS ADJOURNED AT 9:05 PM**

**NEXT MEETING:** The next virtual meeting will be on Wednesday, January 31, 2023, 6:00 PM—8:30 PM

Submitted by Camerina Galván, Notetaker, Galvan Consulting LLC.