



Commissioner Carmen Rubio  
City of Portland

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**Commissioner Carmen Rubio Announces Proposed Changes  
To Strengthen and Streamline the Portland Clean Energy Fund**

*Changes would enable bigger, bolder, and faster investments to reduce carbon and  
better respond to climate change*

Portland, Oregon – Climate change poses an urgent threat to Portlanders, and that threat is growing. Responding to this threat, on Thursday, Commissioner Carmen Rubio announced changes that will enable bigger, bolder, and faster investments by the Portland Clean Energy Community Benefits Fund (PCEF), while ensuring the program operates with unparalleled accountability, responsibility, and transparency. The Bureau of Planning and Sustainability houses the Fund, and Commissioner Rubio oversees both the Bureau and the Fund.

“Each week, we face new, mounting evidence that climate change is accelerating, and our opportunity to respond is closing,” said Commissioner Rubio. “Through PCEF, we have the opportunity to complete big projects that help to reduce carbon from our two largest sources of emissions – transportation and housing – and make historic investments in our city’s tree canopy. We must make these investments happen as quickly as possible, and we can do so without compromising oversight and accountability, or community vision.”

Proposed changes will fall into two categories: code changes and expanded work.

First, Commissioner Rubio will propose **changes to Portland City Code** that will **broaden the scope of eligible recipients**, enable the fund to **award contracts** (as well as grants), **increase the Fund’s administrative cap**, and add and define **new funding areas**. The proposal will also **remove funding allocations** from code in favor of a five-year climate investment plan (discussed in the next paragraph). A summary of these code changes is appended to this release.

Commissioner Rubio will also propose creating a **five-year climate investment plan** which will strategically target the Fund’s investments. Through its first two rounds of granting, community organizations have proposed specific projects. The five-year plan would continue funding **community-led work**, but would also outline **strategic program areas** for the bulk of the Fund’s

investments. This significant change will ***better align PCEF's work with the City's other climate action efforts***, allowing the fund to proportionally direct money based on shared City priorities.

Under these changes, the ***PCEF Committee would recommend the five-year plan*** but not recommend specific applications made within the strategic program areas. Currently, the Committee reviews community-led projects and makes recommendations to the Council about which projects should receive funding. But as she streamlines PCEF's work, Commissioner Rubio recognizes that asking volunteer committee members to review significantly more applications is not practical, and risks impeding time-sensitive work. The five-year plan will serve as a blueprint for ***PCEF staff and distinct review panels to review and refine applications made within the strategic program areas***. This approach represents best practices for grant- and contract-review procedures.

The five-year plan would define the scope and funding of each strategic program. Two strategic programs will be developed immediately:

- Tree canopy growth and maintenance (anticipated funding: \$40 million over five years)
- Energy efficiencies in new and renovated multi-family affordable housing (anticipated funding: \$60 million over five years)

In an initial five-year plan, Commissioner Rubio also anticipates prioritizing:

- Housing and small commercial energy efficiency, renewable energy, and embodied carbon (anticipated funding: \$300 million over five years)
- Resilient community centers (anticipated funding: \$30 million over five years)
- Transportation decarbonization (\$100 million over five years)
- Planning and early investments for a low-carbon, equitable 82nd Ave corridor (anticipated funding: \$10 million)
- Low-cost green financing for carbon-reducing projects (\$100 million)

Commissioner Rubio will present her proposal at [tonight's PCEF Committee meeting](#). The ordinance with these changes will come to Council during the afternoon session on October 19, 2022, which is when public testimony will be heard.

#### About Commissioner Rubio

Commissioner Carmen Rubio joined the Portland City Council in January 2021. She oversees Portland Parks and Recreation, the Bureau of Planning and Sustainability, the Office for Community Technology, and the Office of Equity and Human Rights; has liaison responsibilities to the Mt. Hood Cable Regulatory Commission, League of Oregon Cities, Metro Policy Advisory Committee, and Portland Community Media; and serves as Portland's Arts and Culture Commissioner.

#### About the Portland Clean Energy Community Benefits Fund

The Portland Clean Energy Benefits Fund prioritizes communities living on the frontlines of climate change for clean energy, regenerative agriculture, green infrastructure, green workforce development and contractor support investments. Examples of projects include solar panels

and energy efficiency upgrades on multifamily housing, new workforce training programs in clean energy manufacturing and installation, shared food gardens, and increased tree canopy in heavily paved neighborhoods. Visit their website to learn more about funds distributed through their [first](#) and [second](#) rounds of grantmaking.

**PORTLAND  
CLEAN ENERGY  
COMMUNITY BENEFITS  
FUND**



Date: September 15, 2022  
To: PCEF Committee  
From: Carmen Rubio, Commissioner  
Cc: Mayor Ted Wheeler, Commissioner Dan Ryan, Commissioner Jo Ann Hardesty,  
Commissioner Mingus Mapps  
Subject: PCEF program structural updates

In early 2022, Commissioner Rubio directed Portland Clean Energy Community Benefits Fund (PCEF) staff to begin exploring and evaluating PCEF program structural updates in response to several factors, including:

- Significant learnings through program implementation and evaluation efforts to date;
- A growing fund balance; and
- Early program audit recommendations.

In April 2022, PCEF staff outlined four goals for the program's structural update efforts:

1. **Identify changes to enable accelerated funding of carbon reduction projects in alignment with 2018 ballot measure 26-201;**
2. **Draw clearer and more relevant connections between PCEF and the City's carbon reduction goals;**
3. **Address administrative and operational needs identified by staff and committee; and**
4. **Address audit recommendations.**

The following memo outlines draft changes that would support meeting the goals listed above.

#### **#1: Develop 5-year climate investment plans**

The 5-year climate investment plans (CIP) would be recommended by the PCEF Committee and approved by the Portland City Council. The CIP will include funding allocations and measurable program goals and/or outcomes for both:

- PCEF's current community responsive grants program
- New strategic programs

This will provide greater strategic clarity in how PCEF investments are contributing to the City's climate action efforts, while creating a framework that can be updated every 5 years based on

current information. The initial CIP must be created within 9 months with subsequent CIPs to be updated no later than 6 months after the expiration of the former CIP.

## #2: Initial strategic programs

The two programs listed below will be developed and launched immediately while the rest of the initial CIP is developed. These programs have been selected based on timeliness, need, community impact and GHG savings opportunity.

- Strategic program #1: Growing an equitable tree canopy (and workforce and contracting pool) to support the City’s 2035 tree canopy cover goals - \$40 million
- Strategic program #2: Raising the bar on efficiency and renewable energy upgrades in new and redeveloped regulated affordable multifamily housing - \$60 million

The funding priorities and strategic programs listed below will be incorporated into the initial 5-year CIP. The allocations include workforce development and contractor support programming, and may also include funding distributed through the community responsive grants program.

- Housing and small commercial energy efficiency, renewable energy, and embodied carbon: \$300 million
- Transportation decarbonization: \$100 million
- Low-cost access to capital (e.g., loans and credit enhancements) for carbon reducing projects: \$100 million
- Resilient community centers (i.e., government and non-profit owned community centers): \$30 million
- Building community-based organization operational capacity: \$8 million
- 82<sup>nd</sup> Ave – planning and early investment for low carbon equitable communities: \$10 million. Examples include low-carbon electric vehicle infrastructure and green infrastructure.

## #3: Enabling code updates

The code changes outlined below are critical to enabling the work identified above.

	Code change	Goals addressed
a.	Clarify admin vs. program expenses	4
b.	Increase admin cap (from 5% to 12%)	1, 3
c.	Require development of 5-year Climate Investment Plans that align with city carbon reduction goals	1, 2, 3
d.	Allow funds to be distributed through both grants and contracts	1
e.	Allow government entities, including schools, to be eligible grant and/or contract recipients as determined in CIPs	1

f.	Allow for-profit businesses to be eligible contract recipients for the administration of programs identified in CIPs	1
g.	Allow for the creation and funding of a permanent green infrastructure maintenance fund	1, 2
h.	Authorize Bureau Director to adopt administrative rules through a defined public review process	3, 4
i.	Remove funding allocation percentages	1, 2
j.	Add and define additional funding areas for (1) Transportation Decarbonization and (2) Capacity Building	1, 3, 4
k.	Enable workforce development and contractor support grants and funding to benefit individuals and businesses outside of Portland but within the Portland metro area to increase the available workforce for Portland-based projects	1
l.	Add requirement for Committee member with significant demonstrated experience in transportation decarbonization	1, 2, 3
m.	Require Committee recommendation of CIP to City Council in lieu of recommending specific grant proposals for funding	4

#### #4: Cleaning up the code

The items listed below reflect code changes to clean up the PCEF code and bring greater consistency with current public sector practices:

Code clean up	
n.	Change innovation funding area to other, defined narrowly to projects that meaningfully reduce GHG emissions relative to the funding level
o.	Update all Climate Action Plan references to the City's climate action goals
p.	Clarify essential Committee role and responsibilities
q.	Clarify criteria for publicly posting applications
r.	Remove prioritization for chronically under-employed people
s.	Clean up internal inconsistencies in definitions
t.	Expand Committee member eligibility so that Committee members can live, work, or have other demonstrated involvement within City boundaries