

# AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT

## Between Prosper Portland and the Portland Bureau of Planning and Sustainability

This Amended and Restated Intergovernmental Agreement (“**Agreement**”), dated as of the last date of signature below (the “**Effective Date**”), is made and entered into by and between the CITY OF PORTLAND, BUREAU OF PLANNING AND SUSTAINABILITY (“**BPS**”) and PROSPER PORTLAND, the economic development and urban renewal agency of the City of Portland (“**Prosper Portland**”).

### RECITALS

A. Prosper Portland is the economic development and urban renewal agency of the City of Portland (the “**City**”) and is granted broad powers under ORS 457.170 *et seq.* for the planning and implementation of economic development and capital projects.

B. BPS oversees the Portland Clean Energy Community Benefits Fund (“**PCEF**”) program, which was created by Portland voters in November 2018 to fund clean energy projects, including renewable energy and energy efficiency, transportation decarbonization projects, regenerative agriculture and green infrastructure projects, and climate action-related workforce development and contractor support programs.

C. The Climate Investment Plan (“**CIP**”), developed with significant community engagement and input, is the PCEF program’s five-year plan to guide the program’s investments in community-led and informed projects that reduce carbon emissions, create economic opportunity, help make our city more resilient and prepared for a changing climate, and support the City’s goal of net-zero carbon emissions by 2050.

D. Advance Portland, Portland’s economic development strategy, presents an ambitious and actionable strategy to collectively deliver inclusive and sustainable economic growth; builds on Portland’s industries, workforce, innovation activities, built environment, and institutions; and identifies opportunities to align and propel Portland’s economic growth with equity and climate action.

E. As authorized by ORS 457.210(2), BPS desires to contract with Prosper Portland so that Prosper Portland may implement portions of BPS’s PCEF CIP activities aimed at increasing contractor capacity to compete for and execute on clean energy construction projects including energy efficiency and renewable energy projects in commercial and multifamily middle-income buildings and at providing access to capital via loans and grants to make energy efficiency, renewable energy, and embodied carbon reduction investments.

F. This Agreement was authorized by the Prosper Portland Board of Commissioners by Resolution No. 7573 (Exhibit D) adopted on August 28, 2024.

G. BPS and Prosper Portland entered into an Intergovernmental Agreement regarding the above matters dated September 11, 2024 (the “**Original Agreement**”), and they now desire to amend and restate the Original Agreement in its entirety in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing, and of the mutual promises set forth in this Agreement, the parties hereby amend and restate the Original Agreement and agree as follows:

## **AGREEMENT**

### **SECTION 1      TERM**

1.1      This Agreement is effective as of the date it is fully executed by the parties, and it will terminate on June 30, 2029. Notwithstanding the foregoing, this Agreement may be terminated at any time by mutual written consent.

### **SECTION 2      PROSPER PORTLAND SCOPE OF WORK AND PROGRAM DESIGN**

2.1      Prosper Portland will provide the services and programs set forth in the chart on Exhibit A (the “**Scope of Work**”) at the costs also set forth in the chart on Exhibit A (which costs are referred to in this Agreement as the “**Budget**”). Exhibit A is incorporated into this Agreement by this reference as if set forth in full. Prosper Portland will provide all services and programs in a competent and professional manner in accordance with the Scope of Work.

2.2      With funding from four PCEF CIP programs Prosper Portland will administer the programs summarized in Exhibit B (“**Program Summaries**”). Exhibit B is incorporated into this Agreement by this reference as if set forth in full. Prosper Portland will work in consultation with PCEF staff to develop program guidelines, performance metrics, and goals for each of the programs. These program guidelines, performance metrics, and goals must be approved by the BPS Contract Manager before program implementation can begin. Program guidelines for each program will include version numbers and date of approval to ensure that the appropriate program guidelines are used when evaluating compliance during any future review or audit of the programs.

### **SECTION 3      FINANCIAL CONTRIBUTIONS**

3.1      Subject to the terms and conditions of this Agreement, BPS agrees to provide to Prosper Portland up to \$34,700,000 in program capital funds (“**Capital**” or “**Capital Funds**”) and \$12,800,000 in program delivery and administrative support funds (“**Administration**” or “**Administration Funds**”) for Prosper Portland to provide the services and undertake programs pursuant to the Scope of Work over the five-year term of this Agreement. The Capital Funds and the Administration Funds are collectively referred to in this Agreement as the “**Funds**.”

3.2      The Prosper Portland Contract Signatory and the BPS Contract Signatory (each as defined I in SECTION 4, below) are authorized to modify the Budget or Budget line-items, through a duly executed amendment to this Agreement, if sufficient funds have been appropriated for BPS in the City’s budget to cover the costs of providing the services under this Agreement, or if such Budget line-item adjustments do not increase the maximum compensation under this Agreement.

3.3      Prosper Portland Capital Funds and Administration Funds set forth in the Budget for performing activities set forth in the Scope of Work will include:

3.3.1    Direct Costs, including:

3.3.1.1    Personnel Services. The direct salary and benefit costs paid to staff.

3.3.1.2 External Materials and Services. The actual costs for the purchase of materials, supplies, and external services, including but not limited to, professional/technical/expert services, equipment, construction services, travel, training, and incidental expenses.

3.3.1.3 Capital and Financial Assistance. Disbursements made under loan, grant, or other financial assistance agreements.

3.3.2 Indirect Costs, including:

3.3.2.1 Personnel Services. Prosper Portland administrative, planning, and policy unit indirect staff costs.

3.3.2.2 Support Costs. Support costs including space rental, and other generally accepted fixed costs of doing business.

3.4 Prosper Portland will adhere to the payment and financial reporting requirements described on the attached Exhibit C, as well as the following:

3.4.1 Capital Funds

3.4.1.1 Capital Funds can be requested as advances, prepayments or reimbursements based on Exhibit C.

3.4.1.2 Capital reimbursements are only possible when there is no outstanding unreconciled prepayment or advance balance in a particular program.

3.4.2 Advances

3.4.2.1 Advances will be made based on estimated quarterly expenses in a particular program.

3.4.2.2 No more than two quarterly advances may be outstanding in a particular program.

3.4.2.3 Once advances are reconciled, and the total number of advances outstanding is one or less per program, an additional advance request may be submitted.

3.4.3 Advance Reconciliation

3.4.3.1 Prosper Portland will submit quarterly reconciliations to PCEF.

3.4.3.2 Reported and approved expenses will be charged against the advance.

3.4.3.3 Prosper Portland will report on all expenses to be charged against an advance within six (6) months after the end of the period of performance covered by the advance, e.g. if the advance request is made to cover expenses for the period of performance April, May and June, reporting on all expenses must be received by the end of November.

- 3.4.3.4 Advances will be reconciled after PCEF review and approval of Prosper Portland's reconciliation invoice and other required progress reports. PCEF will process reconciliations within 30 days of the approval date.
- 3.4.4 Prepayments
  - 3.4.4.1 Prepayments will be based on a defined scope of work and costs identified in contractor or developer documentation provided with the prepayment request.
  - 3.4.4.2 Prepayment requests may be submitted once per month.
  - 3.4.4.3 Prepayment requests will be processed by PCEF within 60 days after receipt of a complete and PCEF approved prepayment request including requisite backing documentation.
  - 3.4.4.4 Any unexpended dollars from the prepayment, for instance unspent contingency, will be refunded to PCEF upon project close-out.
  - 3.4.4.5 Amounts of prepayments will be based on eligible expenses authorized, and in alignment with totals provided by Prosper in annual budget projections.
- 3.4.5 Prepayment Reconciliation
  - 3.4.5.1 Monthly, project specific tracking on any project financial activity is required. This does not require backing documentation.
  - 3.4.5.2 For each project, Prosper Portland will submit a final close out reconciliation which includes all expenses, backing documentation and any unspent amount, which will be returned to BPS.
- 3.4.6 Administration Funds
  - 3.4.6.1 Staffing funds may be requested as quarterly reimbursements.
  - 3.4.6.2 Invoices will be program specific and will account for time, positions and program activities performed.
  - 3.4.6.3 Reporting will accompany each reimbursement request and will follow the PCEF standard staff reporting process.
- 3.4.7 All reconciliation invoicing and reporting will contain the following elements:
  - 3.4.7.1 A description of the nature of work accomplished.
  - 3.4.7.2 The names, and hours worked of personnel.
  - 3.4.7.3 Disbursements to consultants, contractors and outside vendors for materials and services.

3.4.7.4 Descriptions of grants, loans, and other financial assistance provided for in this Agreement, including associated projected outcomes.

3.4.7.5 Updates to agreed-upon performance metrics and progress towards goals outlined for each of the programs in Exhibit B.

3.4.8 If reconciliation reports are received with incomplete information or disputed items, BPS will advise Prosper Portland in writing what specific information is missing or disputed.

3.5 **Fund Balance Reporting.** Prosper Portland will submit an accounting of all actual expenditures of funds to date and a forecast of expected expenditures on a PCEF-provided template no later than the dates listed below:

- November 14, 2025
- March 13, 2026
- September 11, 2026
- March 12, 2027
- September 10, 2027
- March 10, 2028
- September 15, 2028

3.6 **Reallocation.** Starting in the second fund year (Fiscal Year 2025 – 2026), BPS may amend the CIP and reallocate Funds based on actual expenditures and expected program spending. BPS will consult with Prosper Portland before any reallocation to ensure that all pending financial commitments Prosper Portland has made to fund grants and loans authorized under this Agreement are made whole. If BPS reduces funding for one of Prosper Portland’s programs described in the Scope of Work, BPS will prioritize reallocating those funds to another Prosper Portland program described in the Scope of Work before directing such funds to non-Prosper Portland programs. The CIP amendment process is planned to occur once annually in the fall.

3.7 Prosper Portland will ensure that all PCEF Fund use associated with this Agreement ends by June 30, 2029, and that all Fund expenditures are reported no later than December 31, 2029. Exceptions to this requirement may be granted for long-term capital expenditures or other programmatic areas as determined by PCEF staff.

3.8 **Awards and Risk Mitigation.**

3.8.1 Prosper Portland will have sole responsibility for determining recipients of any loans, grants, or other financial assistance provided with the Funds under this Agreement. Prosper Portland will develop and implement appropriate risk-mitigation measures, including but not limited to eligibility criteria, underwriting standards, Fund disbursement protocols, monitoring protocols, and claw back requirements, to ensure that funded projects are reasonably structured to achieve their intended outcomes.

3.8.2 BPS acknowledges that, notwithstanding the use of such measures described in the paragraph above, project failure remains an inherent risk in loan, grant, or financial assistance programs.

3.8.3 If a Funded project fails to achieve its intended outcomes, Prosper Portland will not be obligated to return Funds already disbursed and spent in good faith on the project, provided that Prosper Portland has complied with the requirements of Section 3.8.1. Only unspent Funds remaining in Prosper Portland's possession at the time of such project failure must be returned to BPS.

3.9 **Non-Availability of Funds.** Every obligation of BPS under this Agreement is conditioned upon the availability of Funds appropriated or allocated for the fulfillment of such obligations by City Council. If Funds are not allocated and available for the continuance of this Agreement, the Agreement may be terminated by BPS at the end of the period for which the Funds are available following written notice of non-availability of Funds. In such event, BPS will ensure payment for any project for which Prosper Portland has entered into an executed funding agreement with a program participant prior to receiving notice of non-availability of Funds. No liability will accrue to BPS if this provision is exercised, and BPS will not be obligated or liable for any future payments because of termination under this paragraph.

3.10 **Audits.** Prosper Portland agrees to comply with any reasonable fiscal audit requirements and to comply with any audit finding, including but not limited to a reasonable requirement for the repayment of Funds, provided that, Prosper Portland's obligation to repay Funds that have been granted or loaned to third parties under the terms of an authorized grant or loan agreement is expressly conditioned on Prosper Portland's actual recovery of such Funds from such third party. Prosper Portland acknowledges that PCEF may request an individual audit of Strategic Program spending at PCEF staff discretion. Any audit results or findings may be published as part of PCEF's annual reporting or as a supplemental to that report.

## SECTION 4 CONTRACT MANAGEMENT

### 4.1 By Prosper Portland.

4.1.1.1 **Prosper Portland Contract Signatory.** Prosper Portland's Contract Signatory will be, *Cornell Wesley, Executive Director*, or such other person as they may designate in writing (the "**Prosper Portland Contract Signatory**"). The Prosper Portland's Contract Signatory is authorized to give notices and to carry out other actions referred to herein, including termination of this Agreement as provided in Section 1.1.

4.1.1.2 **Prosper Portland Contract Manager.** Prosper Portland's Contract Manager will be *Lisa Abuaf, Development & Investment Director*, or such other person as they may designate in writing (the "**Prosper Portland Contract Manager**"). The Prosper Portland Contract Manager is responsible for the day-to-day management of this Agreement as provided herein and serves as the first level of conflict resolution.

4.1.1.3 **Prosper Portland Program Managers.** Prosper Portland's Program Manager for the Green Construction Contractor Development Program will be *Robert Smith, Entrepreneurship and Community Economic Development Manager* or other staff level designee, and the Program Manager for the BEE grant program and all programs related to SP14 investment will be *Kay Little, Jr., Investment Manager* or other staff level designee. The Program Managers are responsible for the day-to-day management of their assigned program,

and general program or project questions should be directed to these individuals.

#### 4.2 By BPS.

- 4.2.1.1 **BPS Contract Signatory.** BPS's Contract Signatory will be *Michael Jordan, City Administrator*, or such other person as they may designate in writing (the "**BPS Contract Signatory**"). The BPS Contract Signatory is authorized to give notices and to carry out other actions referred to herein, including termination of this Agreement as provided in Section 1.1.
- 4.2.1.2 **BPS Contract Manager.** BPS's Contract Manager will be *Sam Baraso, PCEF Program Manager* (the "**BPS Contract Manager**"). The BPS Contract Manager is responsible for the day-to-day management of this Agreement as provided herein and serves as the first level of conflict resolution.
- 4.2.1.3 **BPS Program Managers.** BPS's Program Manager for the Green Construction Contractor Development Program will be *Jay Richmond, Workforce and Contractor Development Program Manager* or other staff level designee; the Program Manager for the BEE grant program will be *Wendy Koelfgen, Clean Energy Commercial and Multifamily Programs Manager*; and all programs related to SP14 investment will be *Jaimes Valdez, Strategic Partnerships and Policy Manager*, or other staff level designee. The Program Managers are responsible for the day-to-day management of their assigned program, and general program or project questions should be directed to these individuals.

#### 4.3 Collaboration; Reporting.

- 4.3.1.1 The Prosper Portland Contract Manager and the BPS Contract Manager will confer at least quarterly to review project management and staffing needs and performance, and identify desired changes, if any. If either Prosper Portland or BPS desires to replace a Contract Manager, or other key staff identified above, the party's Contract Manager (or higher-level personnel at Prosper Portland or BPS, if necessary) will notify the other Contract Manager in writing, and if required, they will meet to discuss and agree on any necessary adjustments to provide adequate time to make such change.
- 4.3.1.2 In addition to the quarterly reconciliation report required above, Prosper Portland will submit quarterly program reporting which will include data and information to PCEF on its activities under this Agreement. Prosper Portland and PCEF program managers will develop initial reporting requirements so program implementation plans can incorporate required data collection requirements.

4.4 **Match requirement reporting and documentation.** Where a funding match is required, Prosper Portland will provide reporting and documentation which establishes use of the matching funds for eligible expenses in the project.

## **SECTION 5      GENERAL**

**5.1      Delivery/ Maintenance of Records.** Both parties will maintain records on a current basis to support billings and reimbursement for work performed under this Agreement. Such billing records will be retained as well as all other records related to performance of work done under this Agreement as long as necessary to satisfy records retention requirements and, in any event, until the later of (a) 3 years after termination of this Agreement, (b) the date that any dispute arising under this Agreement is resolved or (c) the date that such records may be destroyed under applicable records retention laws. Either party or its authorized representative will have the authority to inspect, audit and copy, on reasonable notice and from time to time, all such records to comply with audit requirements or meet other business needs.

### **5.2      Conflict Resolution.**

5.2.1    If a dispute arises regarding performance, cost, schedule, scope, quality or other terms and conditions of this Agreement, all parties agree to exercise good faith in expeditiously resolving said conflict in the following manner.

5.2.1.1    All conflicts should first be discussed and resolved, if possible, by the Program Managers identified in SECTION 4.

5.2.1.2    If the conflict cannot be resolved by the Program Managers, or involves one of the Program Managers, then the conflict will be elevated to the Contract Managers identified in SECTION 4 for discussion and resolution.

5.2.1.3    Any conflicts not resolved by the Contract Managers will be elevated to the Contract Signatories for discussion and resolution.

**5.3      Compliance with Laws.** Each party will comply with all applicable laws, rules, regulations, orders, consents and permits in the performance of all of their obligations under this Agreement.

### **5.4      Indemnification.**

5.4.1    Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, BPS agrees to indemnify, hold harmless and defend, Prosper Portland, its directors, officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof including reasonable attorney's fees, resulting from or arising out of the activities of City or its officers, employees, or agents under this Agreement, except to the extent that such claims, suits, actions, damages, losses, expenses, or costs result from or arise out of the activities of Prosper Portland or its officers, employees, or agents.

5.4.2    Subject to the limits of the Oregon Tort Claims Act and Oregon Constitution, Prosper Portland agrees to indemnify, hold harmless and defend, City, its officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof including reasonable attorney's fees, resulting from or arising out of the activities of Prosper Portland or its directors, employees, or agents under this Agreement, except to the extent that such claims, suits, actions,

damages, losses, expenses, or costs result from or arise out of the activities of City or its officers, employees, or agents.

5.5 **Amendments.** Except as otherwise provided for in this Agreement, BPS or Prosper Portland may amend this Agreement only in writing signed by the Contract Signatories. Notwithstanding the foregoing, changes to the Scope of Work and Budget, which do not increase the total compensation under this Agreement, may be made upon written agreement by the Contract Managers identified in SECTION 4 of this Agreement. Changes will not take effect or be binding on either party until agreed to in writing.

5.6 **Merger Clause; Counterparts.** This Agreement contains the entire agreement between Prosper Portland and BPS. It supersedes all prior written or oral discussions or agreements concerning work to be performed by either party. This Agreement may be executed in one or more counterparts, including by electronic means, which, when taken together, will form one and the same agreement.

5.7 **Assignment; Successors.** Neither party may assign or transfer any obligation under this Agreement without the prior written consent of the other parties.

5.8 **No Third-Party Beneficiaries.** This Agreement has been made solely for the benefit of the parties hereto and their respective successors and permitted assigns, and nothing in this Agreement is intended to, or will, confer upon any other person any benefits, rights or remedies under or by reason of this Agreement.

5.9 **Termination for Convenience of City.**

5.9.1 BPS may terminate this Agreement for any reason deemed appropriate in its sole discretion by providing at least ninety (90) days' prior written notice to Prosper Portland (the "**Termination Notice**"). The Termination Notice will identify the termination date (the "**Termination Date**") of this Agreement. Unless the parties agree otherwise, upon receipt of the Termination Notice:

5.9.1.1 Prosper Portland will conclude any work funded by Funds already paid to Prosper Portland by BPS and Prosper Portland will not commence any new work that would require payment of additional funds from BPS to Prosper Portland.

5.9.1.2 Prosper Portland may provide a report to BPS of all commitments of Funds that Prosper Portland has made to third parties, which commitments (such as loans or grants) might not close prior to the Termination Date, due to timing and other considerations.

5.9.1.3 The parties will meet and confer regarding whether contracts for services should be transferred to BPS.

5.9.2 On or prior to the Termination Date, Prosper Portland will provide a final accounting of all direct, indirect, and loan/grants/contract expenditures to BPS, and Prosper Portland will return any remaining Funds in Prosper Portland's possession. Notwithstanding the foregoing, Prosper Portland may retain Funds in an amount required to close those third-party commitments

identified in the report described in Section 5.9.1.2, above, along with a reasonable administrative allocation to complete those transactions.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF PORTLAND, by and through its  
BUREAU OF PLANNING AND SUSTAINABILITY

By: Michael Jordan Digitally signed by Michael Jordan  
Date: 2025.12.13 11:23:54 -08'00' Date: 12/13/2025  
City Administrator or Authorized Designee

Approved as to Form:

By: Ryan Bailey- Approved As To Legal Form Only Digitally signed by Ryan Bailey- Approved As To Legal Form Only  
Date: 2025.12.16 11:49:24 -08'00' Date: \_\_\_\_\_  
Office of City Attorney

PROSPER PORTLAND

By:  Cornell Wesley (Nov 25, 2025 12:49:27 PST) Date: 11/25/2025  
Executive Director

Approved as to Form:

By: Hope Whitney Hope Whitney (Nov 25, 2025 12:26:00 PST) Date: 11/25/2025  
General Counsel

Exhibit A - Scope of Work and Program Budgets							BPS/Prosper/PCEF IGA		
CIP Strategic Program	PROSPER PORTLAND PROGRAM NAME	Product	Draft Performance Metrics	Total Fund	Program Capital Allocation	Maximum Program Delivery Distribution (Admin)	Ratio of Admin to Capital		
Strategic Program 4 - Clean Energy for Small Commercial Buildings	Small Building Efficiency Program	Grants to increase the energy efficiency of small commercial buildings	<ul style="list-style-type: none"> <li>Efficiency measures installed</li> <li>\$ amount invested</li> <li>Business location</li> <li>Leverage</li> </ul>	\$25,000,000	\$19,000,000	\$6,000,000	24.00%		
Strategic Program 11 - 82nd Ave. Business Stabilization	Small Building Efficiency Program	Grants targeted to 82nd Ave. businesses.	<ul style="list-style-type: none"> <li>Efficiency measures installed</li> <li>\$ amount invested</li> <li>Business location</li> <li>Leverage</li> </ul>	\$2,200,000	\$1,760,000	\$440,000	20.00%		
Strategic Program 11 - 82nd Ave. Business Stabilization	Small Building Efficiency Program	Marketing/Events targeted to 82nd Ave. businesses.	<ul style="list-style-type: none"> <li>Marketing collateral produced</li> <li># of marketing &amp; outreach events</li> </ul>	\$300,000	\$240,000	\$60,000	20.00%		
<b>SUBTOTAL</b>				<b>\$ 27,500,000</b>	<b>\$21,000,000</b>	<b>\$6,500,000</b>	<b>23.64%</b>		
Strategic Program 14 - Access to Fair and Flexible Capital	PropertyFit financing and Central City Building Conversion – Embodied Carbon – Pilot Program	Financing for commercial to residential conversion pilot projects.	<ul style="list-style-type: none"> <li>Efficiency measures installed</li> <li>\$ amount invested</li> <li>Affordable housing units created</li> </ul>	\$10,000,000	\$7,000,000	\$3,000,000	30.00%		
Strategic Program 14 - Access to Fair and Flexible Capital	Anchor Business Efficiency Program	Financing for eligible upgrades for qualifying businesses.	<ul style="list-style-type: none"> <li>Measures installed</li> <li>\$ amount invested</li> <li>Building location</li> <li>Leverage</li> </ul>	\$5,000,000	\$4,550,000	\$450,000	9.00%		
<b>SUBTOTAL</b>				<b>\$15,000,000</b>	<b>\$11,550,000</b>	<b>\$3,450,000</b>	<b>23.00%</b>		
Community Responsive Grants	Green Construction Contractor Development Program	Business Technical Assistance (IBRN)	<ul style="list-style-type: none"> <li># of businesses receiving TA</li> <li># of businesses expanding services into clean energy</li> </ul>	\$ 5,000,000	\$2,150,000	\$2,850,000	57.00%		
<b>SUBTOTAL</b>				<b>\$ 5,000,000</b>	<b>\$2,150,000</b>	<b>\$ 2,850,000</b>	<b>57.00%</b>		
<b>TOTAL</b>				<b>\$47,500,000</b>	<b>\$34,700,000</b>	<b>\$ 12,800,000</b>			

## **Exhibit B - Program Summaries**

PCEF funding will provide resources for the following programs:

1. Green Construction Contractor Development Program
2. Small Commercial Building Energy Efficiency (BEE) Grants
3. Access to Capital Programs:
  - a. PropertyFit financing – small projects (<\$1M)
  - b. Central City Building Conversion – Embodied Carbon – Pilot Program (Conversion Pilot)
  - c. Community Anchor Destination Energy Efficiency and Renewable Energy Program (Anchor Destination)

Prosper Portland, in collaboration with PCEF staff, will develop program guidelines for each of these programs. Program implementation is expected to begin as soon as program design is complete. A summary of each program is given below.

### **Green Construction Contractor Development Program**

PCEF Community Responsive Grants

#### Summary

In collaboration with PCEF staff and industry partners, Prosper Portland will establish a contractor development program that delivers business supports to the construction industry, building capacity to pivot operations towards advancing climate action initiatives, mitigating carbon emissions, and contributing to a more sustainably built environment.

Prosper Portland conducted an industry engagement process to solicit feedback from community, construction industry stakeholders, and other partners (e.g., Energy Trust of Oregon) to inform what assistance and supports will have the greatest impact on achieving programmatic goals.

Components of the program include:

- Navigation and Mentorship
- Training and Certifications
- Participant Supports
- Loans and Grants

The program will be an offering of the Inclusive Business Resource Network (IBRN) and paired with the Community Opportunities and Enhancements Program (COEP) which aims to reduce disparities in construction contracting. Additionally, this process will establish meaningful measures of success to accompany the number of contractors served and demographic reporting.

## **Small Commercial Building Energy Efficiency (BEE) Grant Program**

PCEF Strategic Program 4 – Clean Energy for Small Commercial Buildings

PCEF Strategic Program 11 – 82nd Avenue Business Stabilization

### Summary

The BEE Grant Program incentivizes small businesses and owners of commercial building no larger than 40,000 square feet, to increase business competitiveness through energy efficient upgrades that reduce energy usage and cost, create health benefits, and increase resilience for small businesses in Portland, with a focus on people who may have been previously left out of climate programs. Additionally, this program will prioritize investment in businesses in high energy use sectors that have high energy savings opportunities such as food service, food sales, small manufacturing, lodging, and laundromats.

The BEE Grant program separates eligible applicant projects into two (2) categories:

- Business owners may be eligible (up to \$100,000 with no match requirement) for the reimbursement of appliance and equipment upgrades that will increase energy efficiency.
- Commercial property owners may be eligible (up to \$200,000 with a 25% match requirement) for energy efficiency and renewable energy building improvements.

In addition to clean energy building improvements, electric vehicle charging stations may be included with a comprehensive energy efficiency scope. All upgrades must meet PCEF's eligible measures standards. Overall, a project must result in at least 20% energy savings for the business owner.

### **Low-Cost Access to Capital programs**

Strategic Program 14 -Low-Cost Access to Capital

Funds allocated in the Low-Cost Access to Capital program can be used to fund any of the following programs:

#### PropertyFit Financing Program

### Summary

Provide PropertyFit financing to projects ranging from \$200,000 to \$1,000,000 throughout Portland that provides strategic, long-term financing for energy efficiency, renewable energy, and water conservation improvements to commercial, industrial, and multifamily properties with five or more units. These projects are typically funded by private capital providers, however increasingly these capital providers are focusing on larger project above \$1,000,000. This creates a gap in the market and a lost opportunity to small commercial building owners. Project financing under this program area will be limited to project installing PCEF eligible energy efficiency and/or renewable energy improvement.

#### Central City Building Conversion – Embodied Carbon – Pilot Program

### Summary

The Low-Cost Access to Capital Fund will provide forgivable loans to building-to-residential pilot projects located in the Central City. During the pilot phase of this program, each project will receive financial assistance of \$60,000 per unit for the embodied carbon component of their project and up to \$25,000 per unit for energy efficiency components of the project. Pilot program projects will participate in an Embodied and Operational Carbon Study which will analyze the relative carbon reduction savings from each investment.

Units receiving funding in this Program must be affordable to households at between 60% and 120% median family income as published by HUD for a period of 10 years after completion of the conversion project. Loan forgiveness will be predicated on compliance with this requirement.

### Anchor Destination Business Energy Efficiency Program

The Community Anchor Destination Energy Efficiency and Renewable Energy Program will provide up to \$5 million in capital access for clean energy improvements to eligible Anchor Destination Businesses within the City of Portland. The program supports upgrades to existing commercial, industrial, or mixed-use buildings that serve as community hubs, or tourist destinations. Eligible improvements include high-efficiency HVAC systems and building envelope upgrades that achieve at least 10% energy savings over baseline code conditions.

## Exhibit C: Payment and Reporting Requirements

CIP Program	Prosper Portland Program Name	Capital Request	Funding	Capital Invoicing and financial reporting	Administration and staffing funding request	Administrative Invoicing and financial reporting	Program reporting
Community Grants: Workforce and contractor development	Green Construction Contractor – Development Program	Advance	or Reimbursement	Quarterly	Reimbursement	Quarterly	Quarterly
SP14: Access to capital	Office to Residential + Anchor Business Destination	Prepayment	or Reimbursement	Monthly	Reimbursement	Quarterly	Quarterly
SP4: Clean energy in small commercial buildings	Small Business Grant Citywide	Advance	or Reimbursement	Quarterly	Reimbursement	Quarterly	Quarterly
SP11: 82nd Ave climate grants	Small Business Grant 82nd Avenue	Advance	or Reimbursement	Quarterly	Reimbursement	Quarterly	Quarterly
SP11: 82nd Ave climate grants	Marketing/Events 82nd Ave	Advance	or Reimbursement	Quarterly	Reimbursement	Quarterly	Quarterly

**EXHIBIT D**

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7573**

5.1 AUTHORIZING EXECUTION OF THE FISCAL YEAR 2024-25 INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND BUREAU OF PLANNING AND SUSTAINABILITY FOR PORTLAND CLEAN ENERGY FUNDS OF \$42,500,000 OVER A FIVE-YEAR TERM FOR PROGRAM CAPITAL AND PROGRAM DELIVERY ACTIVITIES RELATED TO IMPLEMENTATION OF THE CLIMATE INVESTMENT PLAN

**WHEREAS**, Prosper Portland, as the duly designated economic development and urban renewal agency of the City of Portland (“City”), is granted broad powers under Oregon Revised Statutes 457 and City Charter Chapter 15 for the planning and implementation of tax increment finance (“TIF”) funded projects and economic development activities;

**WHEREAS**, Prosper Portland has established expertise in economic development activities which, to the extent they are financed with TIF revenues, are restricted to the City’s TIF districts;

**WHEREAS**, Prosper Portland’s strategic goal is to achieve widely shared prosperity among all residents of Portland by harnessing and expanding Prosper Portland’s tools for job creation, place-making, and economic opportunity;

**WHEREAS**, the City and Prosper Portland desire that Prosper Portland implement certain economic development activities on a citywide basis, primarily small contractor business technical assistance and small commercial building funding and improvements in furtherance of the City’s Climate Investment Plan (“CIP”) and related strategic priorities and programs funded through the Portland Clean Energy Community Benefits Fund (“PCEF”);

**WHEREAS**, the CIP, developed with significant community engagement and input, is PCEF’s five-year plan to guide the program’s investments in community-led and informed projects that reduce carbon emissions, create economic opportunity, help make our city more resilient and prepared for a changing climate, and support the City’s goal of net-zero carbon emissions by 2050;

**WHEREAS**, implementing these economic development activities supports Prosper Portland’s mission and goals related to increasing entrepreneurship and access to capital and fostering equitable wealth creation; and

**WHEREAS**, the City and Prosper Portland desire to enter into an agreement to establish the terms and conditions by which the City will provide funding to Prosper Portland to implement economic development activities on a citywide basis.

**NOW, THEREFORE, BE IT RESOLVED** that the Prosper Portland Board of Commissioners authorizes the Executive Director to execute the Fiscal Year 2024-25 Intergovernmental Agreement, substantially in the form attached to this resolution as Exhibit A, to provide \$42,500,000 to Prosper Portland for economic development activities over a 5-year period;

**BE IT FURTHER RESOLVED**, that the Executive Director is authorized to amend the agreement provided such changes do not materially increase Prosper Portland’s risks and costs as set forth in the agreement, as determined by the Executive Director in consultation with Prosper Portland’s General Counsel; and

**BE IT FURTHER RESOLVED**, that with the affirmative vote of no fewer than four commissioners for this resolution, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption., applicable TIF action plans, and meet PCEF’s wage policy requirements.