



Program #10018B - Promoting Opportunities for Disadvantaged, Minority, and Women Owned Business in the CPACE Market 4/15/2016

Department: Nondepartmental **Program Contact:** John Wasiutynski
Program Offer Type: Innovative/New Program **Program Offer Stage:** As Proposed
Related Programs:
Program Characteristics: One-Time-Only Request

Executive Summary

This \$60,000 funding allocation will leverage \$3M in allocated CPACE financing to support disadvantaged, minority, and women-owned enterprise success in utilizing this new opportunity. Participating DMW contractors will be given one on one real world training and ongoing support to use CPACE as a way of closing deals with building owners to improve energy efficiency and/or add renewable energy. This investment will help to ensure diverse participation in the green economy.

Program Summary

Industry experience in CPACE programs nationwide show that contractors are the most effective sales-force in expanding energy efficiency and renewable energy updates in buildings. With 33% of our building stock needing serious updates and another 40% needing some updates, we know there is significant demand. Matching this pent up demand for building energy upgrades with resources is what CPACE was designed to do.

However, both anecdotal and research data show disparities in the utilization of disadvantaged, minority, and women-owned enterprises (DMW) as prime contractors regionally. CPACE addresses this in the pilot through exclusive focus on DMW firms as prime contractors. In states where CPACE has seen considerable success, contractor training has been crucial. Trainers teach contractors how to best communicate and use the CPACE mechanism to sell energy upgrades and close deals. However, contractors don't sit in the classroom one day and sell CPACE deals the next. Contractors succeed when they have long term support to develop both sales strategies and systems that leverage CPACE.

PDC will contract a CPACE trainer to train participating DMW contractors (~\$100k). However, we recognize the key to success in updating buildings is on-going support. With \$3.0M set aside from PDC to fund actual CPACE projects led by DMW firms, we hope that Multnomah County can provide technical assistance beyond the classroom. By investing \$60,000 to help DMW firms close CPACE deals, Multnomah County will enable \$3MM in economic activity that will benefit building owners and DMW firms alike (based on a 2% fee for each closed deal), while also reducing greenhouse gas emissions. Participating DMW firms will be given one on one training to help market, package, and sell projects. Multnomah County can support creating green jobs for all by ensuring DMW firms have a competitive advantage in this growing market.

Performance Measures

Measure Type	Primary Measure	FY15 Actual	FY16 Purchased	FY16 Estimate	FY17 Offer
Output	Number of transactions closed by contractor's supported through training resources.	N/A	N/A	N/A	4
Outcome	DMW contractors will have an increased capacity to use the CPACE tool.	N/A	N/A	N/A	10
Output	Number of contractors trained.	N/A	N/A	N/A	10

Performance Measures Descriptions

Outcome measure will be collected using post training surveys. Output measures will be easily tracked through attendance records, vendor invoices, and financial documents. PDC will collect and report data to Multnomah County.

Legal / Contractual Obligation

Multnomah County has established an Intergovernmental Agreement that authorizes the Portland Development Commission to implement the CPACE program on the County's behalf. The funding allocated in this program offer would be transferred by IGA to PDC for training of DMW firms. DMW firms would be trained to use CPACE financing when selling their services to building owners.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2016	2016	2017	2017
Contractual Services	\$0	\$0	\$60,000	\$0
Total GF/non-GF	\$0	\$0	\$60,000	\$0
Program Total:	\$0		\$60,000	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Total Revenue	\$0	\$0	\$0	\$0

Explanation of Revenues

Significant Program Changes

Last Year this program was:

In September 2015, with authorization from the Board of County Commissioners, Multnomah County became the first jurisdiction in Oregon to establish a Commercial Property Assessed Clean Energy (CPACE) program. In collaboration with the Portland Development Commission, and the Energy Trust of Oregon, Multnomah County laid the foundation for a program that will help to achieve the ambitious goals committed to in the Climate Action Plan. The CPACE team is working to create family-wage local jobs through intentional inclusion of those historically left out of the energy efficiency and renewable energy fields. In the pilot, we have started a contractor training program that will exclusively support disadvantaged, minority, and women-owned (DMW) enterprises. We believe these strategies will create a strong foundation for growth of DMW firms in our local green economy.