August 13, 2026

Environment and Climate Committee Meeting

Agenda



- Public Comment
- Approval of Meeting Minutes
- City Council Update
- Staff Updates
- Electrification Incentives
- Climate Action Partner Grant Program Year 2
- Waste & Materials Update
- Agenda Review

Public Comment

2 minutes each

Approval of Meeting Minutes

City Council Update

Staff Updates

- Climate Action Partner Grant Program Aug – Sept 8
- Small Business Assistance Grant Program August 5 – Sept 19
- Sunny September: Pathways to a Cleaner Bend

Event	Host	Date	Location
Go Clean Energy Conference	350 Deschutes	Friday, September 18th, 8:15am-4:30pm	Oregon State University – Cascades
Central Oregon Residential Construction Career Day	Earth Advantage & City of Bend	Saturday, September 19th, 8:30-1p.m.	COCC, Cascades Hall, Room 104
Green Building Tour	The Environmental Center	Saturday, September 26th, 10:00–4:00	Across Central Oregon
Sun Day Solar Fest	350 Deschutes	Sunday, September 27th, 11am-3pm	Drake Park

- Water Advisory Group – opening available for ECC member

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August 13, 2026

Incentive Program Discussion

Background

- In April 2025, Council directed staff to explore development of a disincentive and incentive package to encourage electrification in buildings
- Disincentive established through the Climate Pollution Fee
- Revenue from the fee is to be used to create financial incentives for encouraging electrification
- ECC to bring a recommendation to the Council regarding how to use the revenue to create incentives for electrification by February 2027

Process and Stakeholder Engagement

- ECC to develop recommendation for Council by February 2027
  - **August:** Introduction, high level goals and objectives
  - **September/November**: Staff and consultants bring proposed incentive program alternatives
  - **December:** ECC voting on recommendation for program

- Additional input by:
  - Builders, through facilitated small group meetings with Central Oregon Builders Association
  - Human Rights and Equity Commission – staff presentation to HREC in October
  - Incentive Providers, i.e. Energy Trust of Oregon
  - *Others?*

Use of Funds

- 18.20.060 B. The climate pollution fund may be used for any costs related to mitigating present and future climate impacts from fossil fuel emissions, including but not limited to responding to flooding, fires, extreme heat, and preventing such future climate impacts, including but not limited to by funding building decarbonization measures. Revenues may be used for any administrative costs related to any of the foregoing.

Program Visioning

- What are the vision and values of the program?
- What objectives should be achieved?
- What information is needed for decision making?

Program Design Considerations

Consideration	Questions
City Oversight	What role should the City play in administering and overseeing program?
Visibility	How will households know program funds come from the City?
Equity	How should the City consider equity in program design?
Scalability	Should the program design incorporate opportunities to grow? If so, how?
Program Offerings	**What technologies or opportunities should be included? Energy efficiency? Renewables? Others?**
Incentive Levels	**How much funding should the City provide?**
Customer Experience	How can the City ensure a high level of customer service and a positive customer experience?
Braiding Opportunities	What other program funds may be available to stack incentives?
Revenue Uncertainty	What program design offer flexibility for changing and uncertain revenue levels?

Potential Funding Levels

- Revenue generated depends highly on:
  - The total of new homes built each year (currently estimated at 741)
  - The number of homes that choose to electrify vs pay fee
  - The number of electric vs. gas appliances within home

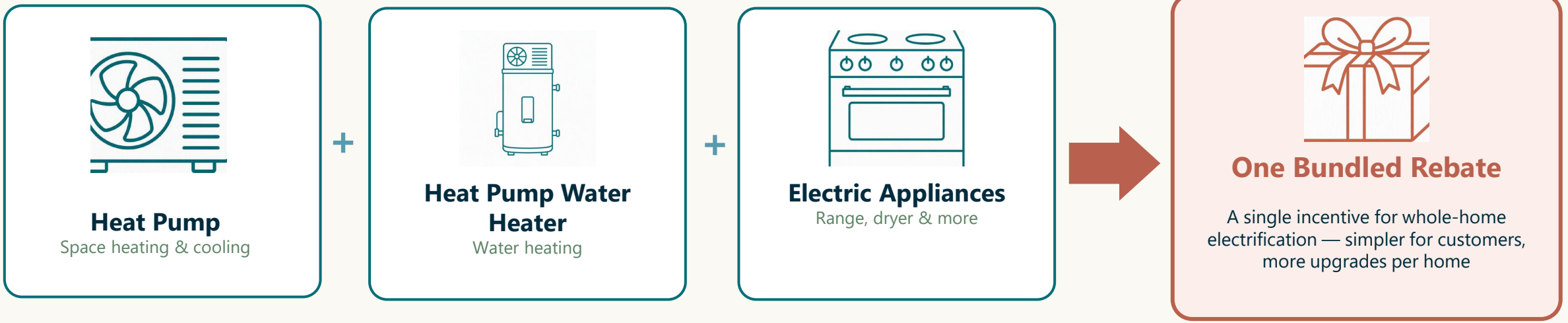
- Lower Electrification: more homes choose to pay fee and retain gas equipment
- Higher Electrification: more homes select electric appliances

Funding	Lower Electrification	Estimated Electrification	Higher Electrification	Heat Pump +Gas WH and Appliances
Total Revenue	**$1,250,000**	**$1,000,000**	**$880,000**	**$260,000**

Program Details

- Incentive levels: higher the rebate, the fewer homes served
- Program offerings: equipment vs bundled offerings (or both)
- Eligibility: all customers, only new-construction, MF vs SF, market rate vs low income

EQUIPMENT vs BUNDLED REBATE APPROACH



Incentives

Equipment	Program Offering	Existing Incentive
Heat Pump	BPA Income Qualified	$ 9,000
Heat Pump	BPA Market Rate	$ 1,250
Heat Pump	Energy Trust Income Qualified	$ 3,000
Heat Pump	Energy Trust Market Rate	$ 1,000
HPWH	BPA Income Qualified	$ 2,800
HPWH	BPA Market Rate	$ 1,400
HPWH	Energy Trust	$ 700
Appliances	BPA	$ 50 - $ 175

Equipment	Example City of Bend Options
Heat Pump	$ 1,000
HPWH	$ 1,000
Appliances	$ 100 - $ 150
TOTAL by equipment	$ 2,125
OR	
Whole Home Bundle	$ 2,500

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Example Scenario

Equipment	City of Bend Incentive	Number of Homes	Total Incentive
Heat Pump	$1,000	250	$250,000
HPWH	$1,000	80	$80,000
Appliances	$100 - $150	300	$37,500
TOTAL by equipment	$2,125		
AND			
Whole Home Bundle	$2,500	185	$462,500
TOTAL INCENTIVE SPEND			**$830,000**

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Discussion Questions

BIG PICTURE:

- What should the main objectives of the incentive program be?
- What are the vision and the values of the program?

PROGRAM OFFERINGS:

- Existing or new construction only?
- Market-rate, low-income, or both?
- Incentive levels – higher rebate with fewer homes, or lower but reaching more homes?
- Individual equipment, bundled offerings, or both?
- Electrification only, or others (like solar?)

DATA

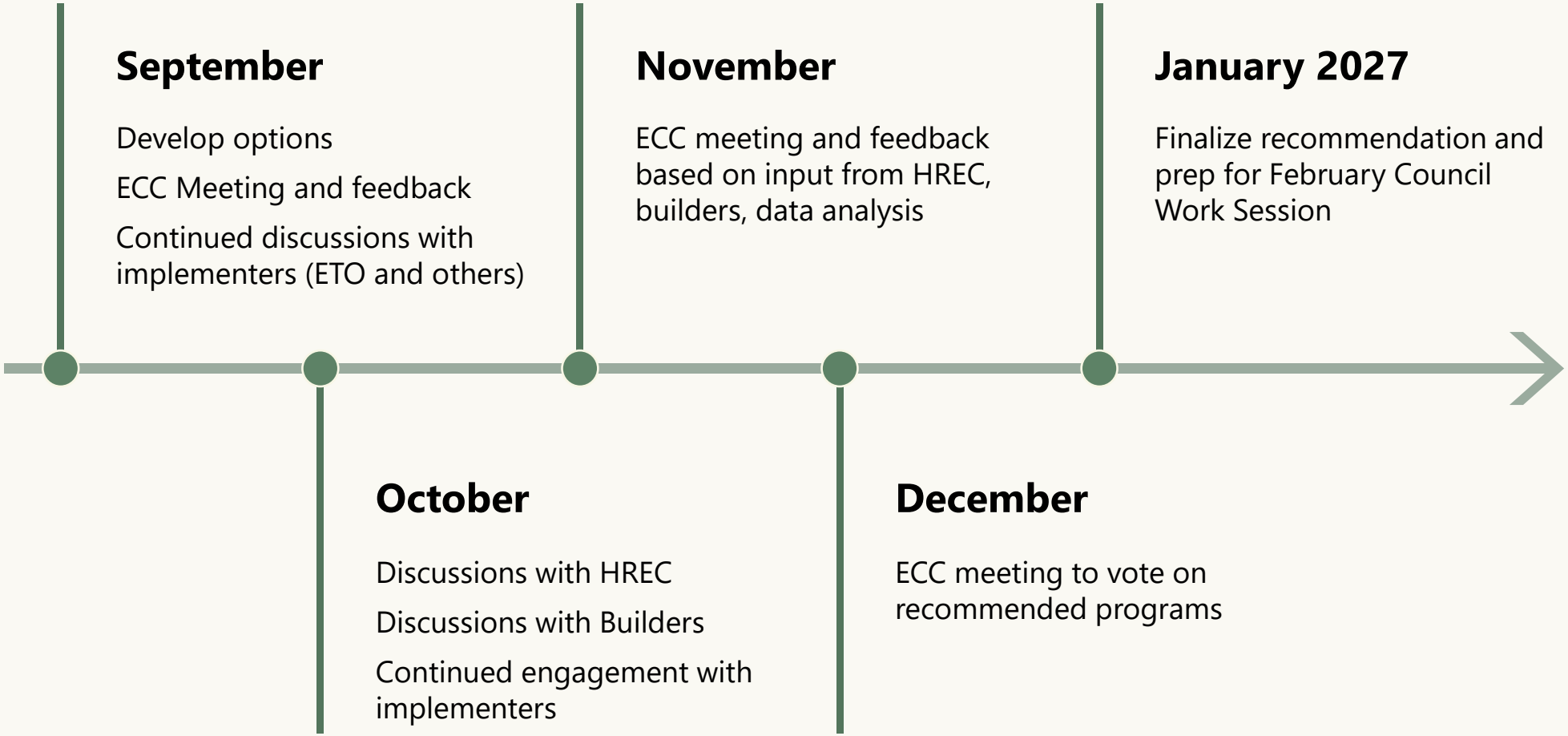
- What information and data is needed provide guidance and recommendations?

Administration Options

Fully In House	City Led with 3rd Party Administrator	Partnership	Outsourced
• The City designs, markets, processes applications, issues incentives, and conducts reporting	• The City sets policy and incentive design while contracting a program administrator to manage applications, customer support, and incentive processing	• The City contributes funds to an existing organization that administers programs, such as a utility, regional nonprofit, or EE implementation organization, while retaining some influence over program requirements	• The City acts primarily as a funding source and provide additional funds to organizations that already deliver rebates

What value does each option provide?
How do they align with program design priorities?

Timeline



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Climate Action Partner Grant Program Year 2

Updates from Year 1

- Recusal rules modified – aligning with state recusal processes
- Max **$50k** funding per application
- ECC's role
  - ECC reviewing staff's recommendation to send to City Manager
- Equity and Economic Development staff on internal review team
- Up to **10%** allowed for indirect costs
- Added organizations resources to equity scoring category

Timeline

Date	Description
August 5	Application Opens
September 8	Application Closes
Mid September	Internal Review Team Scoring
October 8	ECC Scoring
October 31	CM Approval and Applicants Awarded

Awardees from year 1 will give informal update on project at September ECC meeting!

CCAP Waste & Materials Update

CCAP Waste & Materials Update

- Working group has met twice to discuss presentation and identify further research needs based on presentation provided by Story of Stuff and Upstream in May and June ECC meetings
  - Focus has specifically been on programs and policies to support reuseable serviceware in food and beverage service
- Working group meeting again in late August, with participation from Story of Stuff staff, to learn more about specific reuseable policies
- Goal to share back findings with ECC and discuss with full group whether to pursue specific reuseables policies at September ECC meeting

Agenda Review

Agenda Review

September ‘26

- **Switch date? 9/9 to 9/17**
- Electrification Incentives con’t
- 2026 Climate Action Partner Grant Program Report Outs
- Waste and Materials Policies Discussion

October ‘26

- Climate Action Partner Grant Program Scoring
- Small Business Assistance Program Scoring

November ‘26

- Electrification Incentives
- 2025-27 Climate priorities

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